

CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS

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<i>Volume II. No. 15 (New Series)</i>	<i>July 22—August 11, 1946</i>
CHRONOLOGICAL SUMMARY OF EVENTS	437
THE WHITE PAPER ON THE PALESTINE OUTRAGES	463
THE PLAN FOR PALESTINE	465
THE PEACE CONFERENCE OF 21 NATIONS	470
INTERNATIONAL CONFERENCES	484
BRITISH STATEMENT ON THE OCCUPATION OF GERMANY	485

AUSTRALIA. *Aug. 7.*—The Prime Minister announced in Parliament the signature of an agreement under which the United Nations acknowledged Australia's right to undertake defensive measures in New Guinea (prohibited under the League of Nations mandate), which now became United Nations trusteeship territory.

AUSTRIA. *July 26.*—Parliament passed a Government Bill nationalizing certain industries and undertakings, including many taken over by the Russians as German concerns. Before the debate the Chancellor read out 2 letters from the local Russian authorities to the Government, one pointing out that the factories to be nationalized included "former German businesses which are to become Russian property in accordance with the Potsdam agreement and with the recent order of the Soviet authorities". It said the Government had no right, nor had Parliament, one-sidedly to nationalize these concerns or to make any other decisions about German property. The second letter added that the Soviet military authorities had the right of disposal of German property in eastern Austria, and any hindering of their commands about it they would severely punish.

In the Allied Control Council the British and U.S. members proposed that the Austrian Government should be given full control of the production, export, and distribution of Austrian resources, but the Soviet commander, Gen. Kurassov, refused to discuss it.

The French authorities in Vienna handed the Government a protest against the nationalization of the Länder Bank, which had a large proportion of French capital. (It had also been claimed by the Russians.)

July 27.—The Soviet authorities arrested an official of the Ministry

of Property Control and the manager and 3 officials of the Austrian Settlement Co., formerly German and formed in 1938 to administer Jewish estates seized or bought by the German authorities.

July 29.—The Russians released the Ministry official and 2 of those of the Settlement Co.

July 30.—The Director-General of U.N.R.R.A. told the press in Vienna that an article published about him in the local Red Army paper was misinformed and misleading, and intentionally written to misinform and mislead. He thought it might be possible, provided there was U.N.R.R.A. aid in 1947, to put Austria on her feet by 1948, provided the Government and people were given a chance to work out their own salvation, "by which I mean withdrawal of the armies of occupation".

U.N.R.R.A. officials had the right to go anywhere to see that its goods were properly distributed, but, in fact, so far as the Russian zone was concerned it was made impossible.

July 31.—*Izvestia's* attack on the nationalization law. (see U.S.S.R.)

Aug. 1.—The Soviet authorities opened a State Bank in the international district of Vienna, without consulting the Austrian Government.

Aug. 2.—Statement in British Parliament on the future of Austria. (see *Great Britain.*)

A special meeting of the Allied Council was held to discuss the Russian claim to former German assets and the effect upon this of the nationalization law. The Western Allies all told the Russians that they were not empowered to discuss it, and it was postponed to the next regular meeting.

Aug. 5.—Nearly 2000 Jewish refugees from Poland arrived in Vienna, making about 9000 since Aug. 1. They reported that in Poland life was impossible for them.

Aug. 9.—The 4 High Commissions at the Allied Council telegraphed to their Governments drawing attention "to the presence of 430,000 displaced persons in Austria".

The British Commander at the Allied Control Council, referring to the nationalization law, said that the U.K. recognized that certain—not yet clearly defined—properties might be claimed as reparations by the Allies as German assets. But nationalization, "being only the transfer of ownership within Austria", did not amount to "disposal of the property". There could be no objection to the law. The U.S. Commander agreed, but the Soviet Commander objected.

The C.-in-C. of the U.S. occupation forces announced that he had agreed to the entry of 5,000 Jews from Poland into the U.S. sector of Vienna.

Aug. 10.—The Tass Agency published a Russian statement giving reasons why the nationalization law amounted to an attempt to revise the decisions reached at Yalta and Potsdam, which had been that German reparations to the U.S.S.R. must be paid in kind. The Soviet Command reserved the right to take measures necessary for the protection of its interests in the Soviet zone.

BELGIUM. *July 24.*—The King's secretariat in Brussels announced that his Majesty had set up a commission of 9 "to establish his attitude since 1936". It held its first meeting on July 14.

Aug. 1.—M. Huysmans, the Socialist leader, accepted the Regent's request to form a Cabinet. (He was chairman of the Belgian Parliamentary Committee in London during the war.)

Aug. 2.—M. Huysmans formed a Cabinet, with the following new Ministers: Justice, M. Lilar; Economic Affairs, M. Liebaert; Finance, M. Vauthier; and Re-equipment, M. De Groote. M. Spaak remained Foreign Minister.

Aug. 7.—The Government obtained a vote of confidence in the House of Representatives by 99 votes to 87, and in the Senate by 79 votes to 77, with 3 abstentions.

BOLIVIA. *July 22.*—A new Government was formed by Dr. Nestor Guillen, senior Judge of the Supreme Court, accompanied by 3 delegates representing La Paz University, the teachers, and the Federation of Trade Unions respectively.

July 23.—The provisional President promised free and democratic elections, the restoration of civil liberties, freedom of the press, and the release of all political prisoners. He invited political exiles to return and take part in the Government.

BRAZIL. *Aug. 3.*—It was learnt that the Government had decided to admit no more Japanese immigrants, owing chiefly to recent cases of terror killings in São Paulo of Japanese, some of them Brazilian citizens, by members of the Black Dragon Society, who believed in Japan's invincibility. The Foreign Minister told the press that Brazil wanted to encourage a strong current of immigration, but only one capable of being assimilated.

The Governor of São Paulo had issued a warning that vigorous police action would be taken if the murders continued. (He had recently assembled 1000 Japanese believed to support the Black Dragon, to whom the Swedish Minister—in charge of Japanese interests—had read a factual account of Japan's defeat.)

Aug. 5.—Statement about refugees for Brazil. (*see Great Britain.*)

BULGARIA. *July 26.*—Parliament passed unanimously a Bill for a referendum on the monarchy and for a general election on Sept. 8.

BURMA. *Aug. 2.*—It was announced that the British Government, in consultation with the Government of Burma, had decided to release Dr. Ba Maw, the Prime Minister under the Japanese occupation and Head of the State when Japan declared Burma independent.

Aug. 3.—Sir Reginald Dorman-Smith resigned the Governorship owing to ill-health. General H. E. Rance was appointed to succeed him.

CANADA. *July 24.*—A wheat agreement with Britain was signed in Ottawa, to run for 4 years.

July 25.—The acting Prime Minister announced in Parliament that 4000 Polish army veterans who fought in Italy were to be selected for immigration to Canada "shortly". They would all be agricultural workers.

Details of the wheat contract for the U.K. (*see Great Britain.*)

CHINA. *July 22.*—Government forces were reported to be moving through Shanghai and down the Whangpoo river to clear the Communists from the part of Kiangsu north of the Yangtze, while aircraft were bombing the Communist H.Q. Operations also began to clear the main railways in the north and the line to Hankow. Fighting in Hupeh was reported to have ended with the defeat of a large Communist force some 90 miles north of Hankow.

Mme. Sun Yat-sen, speaking in Shanghai, accused "reactionaries" in the U.S.A. and China of working to promote war between Russia and America over China's internal affairs. She said civil war would not spread if America made it clear that she would not supply munitions or other material to the Government. An appeal signed by her and 56 educationists, industrialists, and journalists addressed to the American people stated that for 6 months Gen. Marshall's peace efforts had been "deliberately and systematically sabotaged by forces of reaction which now hold positions of prominence and leadership in the national Government. Your lend-lease loans, surplus property, marines, and military mission will lead China into a prolonged state of civil war . . ."

Eight warships presented to China by the U.S. Government arrived at Nanking. Four were minesweepers.

July 23.—The Communists admitted the loss of 25 towns in Kiangsu, and reported a Nationalist offensive in Manchuria in Kirin Province.

Government reports claimed the capture of Kiangtu, Nantung, and other towns on the north bank of the Yangtze. Heavy fighting began at the junction of the Lunghai and Tientsin—Pukow railways.

July 24.—The Government published a document, said to have been captured from Communist H.Q., ordering Communist commanders to "intensify attacks against the National troops on the pretext that no cease fire order has been received from the High Command", and to frustrate negotiations by not keeping appointments to meet Gen. Marshall's peace envoys.

July 25.—Government forces captured Jukao, the chief Communist stronghold in Kiangsu, 100 miles north-west of Shanghai. They also gained ground on the Tsinan-Tsingtao railway, in Shantung.

July 26.—The Communists captured Sinhsien, north of Taiyuan, in Shansi. Fighting in favour of the Government forces was reported near the Anhwei-Kiangsu border round Hsuehwhofu.

July 27.—The Government rejected a proposal from the Communists for unconditional cessation of the civil war, on the ground that it would

leave unsolved such questions as the control of Manchuria, the reorganization of the Kuomintang-Communist armies, and the restoration of communications.

July 29.—A Communist force ambushed some lorries carrying 100 U.S. Marines from Tientsin to Peking, killing eight and wounding 13. Bitter fighting was reported in north Kiangsu, where the Government forces claimed successes, as also in north Honan, south Shansi, and south Shantung.

July 31.—The Government forces reported the capture of Wuho and Šzehsien, 90 miles north-west of Nanking.

Aug. 2.—Government aircraft bombed the Communist H.Q. at Yen-anfu. The Yen-an radio demanded the immediate withdrawal of all U.S. forces from China.

Aug. 3.—The Communists announced that the bombs dropped on Yen-an and the aircraft used were U.S. lend-lease and the pilots American-trained. Their representatives in Nanking suggested that an American-Kuomintang-Communist commission should be established to control "the use of U.S. lend-lease aircraft, petrol, bombs, and ammunition".

The Government declared that the raid was directed solely to the destruction of one of their Liberator bombers which had made a forced landing in Yen-an.

Aug. 7.—The Communists accused the Government of starting an offensive in Jehol, and reported fighting near Chaoyang, 150 miles west of Mukden.

In Shansi province the Government forces at Tatung, near the Chahar border, were reported to be surrounded by Communist troops.

The Nationalists reported further successes in north Kiangsu.

Aug. 10.—Gen. Marshall stated in Nanking that he thought peace between the Kuomintang and the Communists was impossible.

He added that the fundamental issue preventing agreement was the character of the local government to be maintained in regions which would be evacuated under military redispersions.

A clash between Chinese and U.S. marines occurred, when 50 Chinese attacked a coal train near Tientsin.

CZECHOSLOVAKIA. *July 26.*—The Prime Minister announced on his return from Moscow that Russia was handing over to them the German synthetic petrol works at Brix, without compensation. He said the Soviet Government understood their just claims against Hungary, and had also agreed to the following: Czechoslovakia's right to claim possessions which were in the Soviet zone and whose owners were formerly Czech citizens or corporations, regardless of their nationality; the grant of a new long-term loan to help them to build up the army; a commercial treaty, and an aviation agreement.

July 31.—The principal members of the Protectorate Government

were condemned to long sentences of imprisonment, Adolf Hruby being given a life sentence.

Aug. 7.—The Government issued a statement declining to instruct the Court to increase sentences passed on members of the Protectorate Government. (They had been urged to do so by the Left-wing press.) They sympathized with those who wished to see collaborators severely punished, but the Courts of Law were independent and the Government could not intervene in the way suggested except by going outside the Constitution.

Aug. 8.—Agreement with Poland. (*see Poland.*)

DENMARK. *July 27.*—The Premier announced that the Government was accepting the price offered by Great Britain for a long-term contract for butter, bacon, and eggs.

July 31.—A food agreement with Britain was signed in Copenhagen.

Aug. 6.—The Government introduced in Parliament Bills for subsidizing agricultural exports to Britain with 62 million kroner (say £3 million) as well as subsidies totalling 125 million kroner to keep butter and bacon for home consumption at the existing price level. The Foreign Minister gave full details of the trade agreement.

ECUADOR. *July 30.*—A revolutionary plot, led by civilians, was suppressed, and the secretary-general of the Socialist Party and a leader of the Liberal Party were arrested.

Aug. 11.—Dr. Ibarra was re-elected President of the Republic by the Assembly by 43 votes to 10. The Centre and Left parties refused to vote.

EGYPT. *July 22.*—Police in Alexandria arrested 11 members of the Young Egypt Party, 4 of whom were alleged to have confessed to complicity in the outrage on July 17. Nine other suspects were also detained.

July 23.—Publication of letter from the Government to British Government about Palestine. (*see U.S.A.*)

July 24.—Reply of U.N. Secretariat to letter about Palestine. (*see U.S.A.*)

July 25.—The Prime Minister told Parliament that the American-Arabian Oil Co. had agreed to the extension of its pipeline from the Persian Gulf across Saudi Arabia to Egypt, and to the building of a new refinery at Suez or Alexandria. He also announced the grant of a new licence to the Anglo-Egyptian Oilfields Co. for oil prospecting in a large area in the Sinai and Eastern Deserts.

July 27.—The British C.-in-C. Middle East announced that the H.Q. of the troops in Egypt would leave Cairo for the Canal Zone before the end of September, and that General H.Q. Middle East would move at the end of the year.

Aug. 11.—The Secretary-General of the Arab League told the press that declarations by Arab officials in Jerusalem forecasting an appeal

to Moscow for help did not represent the views of the League, and he regarded them as unimportant.

EIRE. *July 25.*—The Dail approved unanimously a motion by Mr. de Valera that the Government be authorized to become a member of U.N.O. He stated that "you must be ready to wage a war of enforcement in order to prevent war . . . I know this organization is not as valuable as it might be, but it is the best that can be got at the moment". He also said the attitude of Britain had always been correct, and there had been no pressure on them to join.

Aug. 2.—The Government applied for membership of U.N.O.

FRANCE. *July 26.*—The High Court of Justice condemned M. Flandin to national indignity for 5 years, but granted him a reprieve at the same time. The charge proved against him was holding office under Pétain.

July 27.—Arrival of delegates to peace conference. (see page 470.)

The Government decided to grant a general wage increase of 18 per cent as an average, some of the lower categories being raised by 30 per cent. It applied to over 12 million factory and office workers, but not to transport workers and Government employees, whose case was still under consideration.

July 28.—M. Bidault, speaking at St. Etienne, said France was only claiming the guarantees which were necessary for her elementary security and there could be no security for anyone if their country was in danger. French policy was inspired only by national considerations.

Gen. de Gaulle, speaking at Bar-le-Duc, said the harmony of the old world of Europe required first of all the mutual understanding of London and Paris. That old world alone could restore the balance between the two new worlds of Russia and the U.S.A. It alone could provide the necessary element of balance and understanding in the heart of a world tending to split in two. Such balance implied first of all an understanding with England. That understanding had long been sought by France and, to be frank, at the price of many sacrifices.

He proposed that Germany should in future consist of 9 federated States, between the Oder and the Rhine, with the Ruhr under international control and the Saar basin taken away. Failing some such arrangement France would have to reserve the right to act in her zone according to her rights and interests, as "it seems our allies have decided to do".

July 31.—The text of the draft treaties with the 5 ex-enemy countries was published in Paris.

Aug. 3.—The Constituent Assembly voted unanimously an increase in the salaries of Civil Servants of 25 per cent.

Aug. 4.—The postal strike ended.

Aug. 10.—The Government rejected the U.S. plan for unifying 2 or more of the German zones, on the ground that the plan opposed the principle of co-ordinated action between the 4 occupying Powers.

GERMANY. *July 22.*—The monthly report of the British officials of the Control Commission stated that the outlook for the steel industry was serious, since most of the raw material came from the French zone, so that unless deliveries increased the production of iron and steel, and of coke and coal by-products would soon be affected. American officials stated that the large stocks of raw materials, parts, and semi-finished goods found in their zone when Germany surrendered were almost exhausted, and the statistical department of the North German Coal Control stated that the reserves existing in May, 1945 had almost all been used up. Reports from Essen showed that desertions among new recruits to the Ruhr mines had reached 50 per cent. Their wages were described as too low to enable them to buy the few and high priced manufactured goods available.

July 23.—The co-ordinating committee in Berlin set up a quadripartite committee of experts to study the coal situation and prepare a report for the Council of Foreign Ministers.

Scheme for admitting displaced persons in Germany to Great Britain. (*see Great Britain.*)

July 25.—Report on British expenditure in Germany. (*see Great Britain.*)

July 30.—At the meeting of the Allied Control Council Sir Sholto Douglas announced the British acceptance of the U.S. invitation to establish economic unity between the two zones. Marshal Sokolovsky was critical of the proposal, but did not reject the idea of collaboration altogether. He proposed that the 4 Powers together should look for ways of promoting inter-zonal trade, transport, and travel, and said his Government wished the zones to be interlocked.

A compromise was reached on the production and allocation of coal.

Aug. 1.—The director of the civil administration division of the U.S. Military Government issued a report on the establishment of central German agencies for administering German affairs. It set out proposals for 6 central agencies for foreign trade, industry, agriculture and food, finance, communications and post, and transport. It declared that "economic ruin" must continue if the main administrative authorities were not centralized. It contained a detailed plan for the organization of the central agencies.

A British statement was issued in Berlin explaining the scheme for the repatriation from Britain of 20,000 German war prisoners who had been selected as politically reliable or "white".

Aug. 2.—Gen. Falkenhorst, former C.-in-C. in Norway, was sentenced to death by a British war crimes court at Brunswick for direct responsibility for the shooting of 7 members of British and Norwegian commandos.

Aug. 8.—British statement on the occupation. (*see page 485.*)

Aug. 9.—The deputy head of the food and agricultural division of the British Control Commission stated that British taxpayers would be relieved of their £80 million burden within one or two years if Ruhr coal, instead of being exported, was used in the manufacture of goods which could be exported, otherwise the British zone must receive 40 per

cent of its food from British resources. During the past 3 or 4 months Britain had paid for 70 per cent of the food for the British zone.

Sir Sholto Douglas told the press that the influx of refugees into the British zone had reduced the average living space per head to $6\frac{1}{2}$ square metres. At the existing rate it would take 10 years to repair damaged houses. He announced that it had been agreed to equalize the level of food rations in the whole area affected by zonal fusion. Denazification panels had been instructed to give special consideration to persons below 27 years of age and whose entry into Nazi organizations could be attributed to pressure of circumstances.

Aug. 10.—Gen. Koenig, at the Control Council, made counter-proposals for accomplishing German economic unity, which included 7 points covering the creation of Allied agencies, each with a management board in which the 4 occupying Powers would be represented. Each agency would have a single director chosen from one of the 4 Powers, with, if necessary, a German assistant.

GREAT BRITAIN. *July 22.*—Mr. Noel Baker, replying to questions in Parliament about the Greek referendum, said that each elector would be given 3 ballot papers, one with the name of the King; one with any constitutional formula the opposition might suggest, e.g., the word "Republic"; and one blank, to be filled in as the voter might desire. Blank papers would be counted as votes against the King. If the King did not get a majority the Government would resign, and the whole question of the Constitution would then be opened.

Replying to a question about the strike in Persia Mr. Noel Baker said the loss of output would be about 360,000 tons. Most of the oil from Abadan was used, not by the British Government, but by the general public of the countries to which it was shipped.

July 23.—In a statement in Parliament on the outrage in Jerusalem Mr. Attlee said the Government "have stated, and state again, that they will not be diverted by acts of violence from their search for a just and final solution of this problem".

It was announced that 1,000 displaced persons in Germany in assembly centres in the British zone were to be admitted to the U.K. in the near future, under a scheme providing for the recruitment of women formerly from the Baltic countries to work in hospitals in Britain.

July 24.—Publication of White Paper regarding Palestine. Cmd. 6873. (*see page 463.*)

July 25.—The Government issued invitations to all countries members of the Arab League and "interested parties" in Palestine to a round table conference in London.

The Foreign Secretary, speaking in Parliament on the Foreign Ministers' decision regarding the South Tirol, said he had heard a good deal about the 200,000 German-speaking people in Tirol, but there had been movements of millions from East Prussia and elsewhere. This question of setting race against race was one of the horrors that had developed in the last 30 or 40 years. There had to be read in

conjunction with the Moscow declaration on Austria the armistice made with Italy, and nobody stipulated that there should be any change in frontiers, but that she should work her passage. Austria was not yet free, and one did not yet know whether Eastern Austria would not be cut off. The decision on Austria was not made in Paris, but in London last September; also the House agreed to the Potsdam decision, and he had to carry it out. It was a matter of desperation to get any economic order in Europe. His solution for this bit of territory was for, as it were, an *Anschluss* to the southward instead of to the northward. The Tirolese would have the right to be heard at the peace conference and in Paris. It was open to 21 nations to reverse a decision; instead of 4 Ministers standing there and expecting the whole conference to be a rubber stamp they had undertaken to take into account, before the final draft, every recommendation made by the conference.

The Minister of Food announced in Parliament the conclusion of a 4-year wheat agreement with Canada, under which Canada would supply 160 million bushels in 1946-47, and 140 million in each of the following 3 years. Part would be supplied in the form of flour. The price for the first 2 years would be \$1.55 a bushel, in 1948-49 a minimum of \$1.25 a bushel, and in 1949-50 a minimum of \$1 a bushel. The price for the first year was 30 per cent below the current U.S. price and still more below the market price in Argentina. Payment would be in Canadian dollars and no quantity or proportion of the American loan would be used.

The Select Committee on Estimates issued through the Stationery Office the report of a sub-committee sent to Germany and Austria to examine the Estimates for the Control Office. It found that no alleviation of the burden on the taxpayer could be made without a solution of 3 problems: (1) the economic reintegration of the zones of occupation; (2) the formation of a long-term policy for the whole country, or for as many of the zones as might be brought into a single economy; and (3) the breaking of the vicious circle—shortage of food, shortage of coal, shortage of consumer goods.

Several recommendations were made for alleviating the burden, including the completion of the "screening" of Germans, the speeding up of the devolution of executive responsibility to the Germans, and the reduction of the number of the staff of the Control Commission, along with improvement of its quality.

The net cost of the Control Office to the British taxpayer was £80,554,310 for 1946-47.

Anglo-American committee's proposals for solution of the Palestine problem. (see U.S.A.)

July 30.—The texts of the draft treaties with Italy, Rumania, Hungary, Bulgaria, and Finland were published in London, showing the terms agreed upon by the Council of Foreign Ministers and the points in which it failed to agree.

July 31.—The Stationery Office published the Second Review of the World Food Shortage, Cmd. 6879. It brought up to date the estimates published in April. Figures of U.K. exports showed that nearly 2

million tons, over half in cereals, were sent to the Continent since D Day.

Mr. Morrison's announcement in Parliament of the details of the plan for Palestine. (*see page 465.*)

The Government received an acceptance from Saudi Arabia to the conference in London on Palestine.

Aug. 1.—The Government received an acceptance from Transjordan to the conference on Palestine.

The Minister of Food announced in Parliament that an agreement had been reached with Denmark for the supply of butter, bacon, and eggs up to the end of September, 1949. The prices would be higher than those paid for similar products from other countries, but low in relation to Danish costs of production.

Aug. 2.—The Minister of State said in Parliament that the Moscow declaration of October, 1943 set forth the desire of the three Powers to see the establishment of a free and independent Austria, and to this France subscribed later. Britain was also party to the control agreement signed on June 28, 1946 which included a statement that among the primary tasks of the Allied Commission was "to maintain the independent existence and integrity of the Austrian State and, pending final definition of its frontiers, to ensure respect for them as they were on Dec. 31, 1937".

The British Government had for some time done their best to secure a treaty with Austria to end the occupation and, in the meantime, to reduce the effect of the boundaries between the zones. They would regard as a matter of grave concern any action which might intensify the effect of the division of Austria into zones, the more so if such action appeared likely to infringe the internal or external integrity of Austria which all the four Powers had agreed to maintain.

Aug. 5.—The Foreign Office announced that discussions were being held in Rio de Janeiro between the inter-Governmental Committee on Refugees and the Brazilian Government to consider the possibility of immigration to Brazil of displaced persons.

Aug. 6.—The Foreign Office issued a statement about the situation in the Persian oilfields which stressed the material contribution made by the oilfields to the Allied victory; the high priority which had been accorded to their development during the war; and the importance they held for the future welfare of the world. The Anglo-Iranian Oil Co. had, despite the interruptions due to the war, done much in building houses and providing social services; that H.M.G. would give every assistance practicable in the future for the completion of the company's plans to raise the standard of living of all employees; that they welcomed the new Persian labour law, especially the provision of machinery for industrial conciliation; and that while intending to co-operate in all ways possible with the Persian Government, it was the latter's responsibility to ensure that security prevailed in the country.

Aug. 7.—The Secretary-General of U.N.O. arrived in London.

Aug. 8.—Foreign Office statement on the occupation of Germany. (see page 485.)

Aug. 9.—The Treasury announced a Payments Agreement with Hungary, which removed the prohibition on trade and financial relations with persons in Hungary.

GREECE. July 22.—Statement about the referendum by the British Minister of State. (see *Great Britain*.)

July 23.—M. Tsaldaris arrived back in Athens.

July 30.—The police raided the offices of the Confederation of Labour and detained 4 of the members of its executive committee. They were sentenced to 4 months' imprisonment for refusing to deliver up the seals and accounts of the organization. (The Government had recently ruled that the Confederation had no legal standing.)

HUNGARY. July 23.—U.S. Note to the Soviet Government about Hungary. (see *U.S.S.R.*)

U.S. Note to the U.S.S.R. (see *U.S.S.R.*).

July 24.—The Minister of the Interior dissolved "nearly 1,000 societies" (Budapest radio reported), including the Catholic Youth and the Boy Scouts.

July 27.—The Supreme Economic Council of Hungary decided to stop on July 30 the issue of pengo banknotes and put the new currency, the florin, into circulation on July 31. It would be worth the equivalent of 400,000 million pengos.

The Soviet Government's reply to the U.S. Note. (see *U.S.S.R.*)

Future Reparation deliveries. (see *U.S.S.R.*)

July 28.—The report was published, in London, of the British Parliamentary delegation which toured the country from April 23 to May 5. It said the British representatives on the Allied Control Commission had developed cordial relations with the Russian and American members, but that the British Political Mission seemed to be out of touch with the realities of the political situation, and had failed to use its opportunities for influencing and helping the development of the new Hungarian democracy. This might account for the impression the Mission found to exist that Britain was not interested in Hungary's problems.

The reparation claims by Russia, Czechoslovakia, and Yugoslavia were "extremely heavy". The maximum taxable capacity of the country was 12 per cent, but reparations seemed to be demanding 18 per cent. No trade had been resumed with Britain, and it was highly desirable that this should be brought about as soon as possible. As to the food position, tens of thousands of workers were living on about 900 calories a day, and the Mission met persons who had not eaten for several days, and children sick with under-nourishment.

Aug. 1.—Rioting occurred at Miskolc when a large crowd demanded the release of 16 workers who had been arrested after the lynching of 2 Jews accused of black-marketing. The Minister of the Interior ordered their release at once, but the crowd, believing that they had

been ill-treated by the police, broke into the police building and seized and murdered the head of the Political Investigation Department, Arthur Fraenker.

Aug. 2.—The Prime Minister received a Jewish deputation and promised to take drastic measures against those responsible.

A Budapest court sentenced to death Nagy, President of the Chamber of Deputies during the German occupation.

Aug. 3.—The new guilder entered into currency. Foreign exchange rates were fixed at 11.62 gulden to \$1 and 96.34 gulden to one gold sovereign. The death penalty was decreed for black market operations in foreign currency from Aug. 15. Organized rationing was introduced, and prices for staple commodities fixed.

Aug. 9.—Gold bullion and coin worth \$8 million was returned from the U.S. zone in Germany.

Payments Agreement with Britain. (*see Great Britain.*)

ICELAND. *July 26.*—The Althing authorized the Cabinet to apply for membership of U.N.O.

INDIA. *July 22.*—Provisional election results to date showed that in Bengal and Assam the Muslim League had 35 adherents and the Congress 32, the other 3 seats being won by Dr. Ambedkar, Mr. Lahiri (Communist) and Mr. Fazi-ul Huq. In Section B (Punjab, Sind, North-West Frontier Province, and Baluchistan) the Muslim League won 19 seats out of a total of 36, four of which were unfilled owing to the Sikhs boycotting the election. The Congress leader, Maulana Kalam Azad, was returned for the Frontier Province.

A one day general strike by 300,000 workers was declared in Bombay Province in sympathy with the postal workers.

July 25.—Final returns of the Elections to the Constituent Assembly showed that of the 210 seats allotted to general constituencies the Congress Party won 201. (The total in the Assembly was 385, of which 93 were reserved for the States.) Of the 78 allotted to Muslims the League won 73. The 4 Sikh seats remained unfilled.

The 201 Congress members included 25 representatives of the depressed classes, 7 Christians, 3 Anglo-Indians, and 12 women.

An unofficial American committee, who had toured the country, reported in Washington that India must import 2 million tons of grain by January to avert widespread famine, and added that they felt that at least 750,000 tons ought to come from the U.S.A.

July 27.—Mr. Jinnah, addressing the Muslim League on its attitude to the Constituent Assembly, said the Cabinet Mission "tried its best to propitiate the goddess of Congress and postponed the formation of an interim Government". Congress declared they accepted the long-term proposals, but it was only a "conditional" acceptance, one with reservations. The Mission played into its hands. Congress thought it was going to walk into the interim Government and by-pass the League, but the League knew how to deal with that. But Congress was talking nonsense when it spoke of turning the Constituent Assembly

into a sovereign body, a body summoned by a Viceroy appointed by the British Government.

In no circumstances could he have accepted a "Muslim quisling" in an interim Government, and as long as Congress persisted in their claim to represent the Muslims, and also India, there could not and would not be any compromise or settlement. He declared that in the closing stages of the negotiations the Mission, unwilling to admit failure, had "concocted a device" with Mr. Patel whereby Congress was persuaded to accept the long-term plan even with its reservations and interpretations and, in return, the Mission had assured Congress that the plan for an interim Government would be abandoned. "I ask the Viceroy now to issue a categorical explanation of the point", he said.

July 29.—The Council of the Muslim League passed unanimously 2 resolutions, the first rescinding the decision of June 6 accepting the British long-term plan, and the second called on the working committee to prepare for direct action. The first repeated Mr. Jinnah's charges of betrayal in respect both of the interim Government and of its composition; recalled that the League had reserved the right to modify its policy if the course of events so required; described the failure to form an interim Government following the League's acceptance of the plan on June 6 as "dishonest"; and declared that Congress, far from accepting the long-term plan, had in fact, as their own spokesmen had declared, repudiated the essentials of the long-term scheme. In the light of the fact that no checks save "the Secretary of State's pious hope" existed to prevent the Constituent Assembly from taking by brute force majority decisions repugnant to the letter and spirit of the scheme, the League considered that conditions precedent for the successful working of a constitution-making body did not exist. Congress was determined "to wreck the basic form of the grouping of the provinces".

The second resolution authorized Mr. Jinnah to take steps to organize Muslims for a struggle to be launched "as and when necessary".

Mr. Jinnah, closing the session, declared that the decision amounted to a departure from the constitutional methods hitherto pursued by the League. Two parties had held pistols at the League's head—one with machine-guns behind it, and the other with non-co-operation and mass civil disobedience. "We have also been forced to hold a pistol", he added. A full and sovereign Pakistan must be established.

July 31.—Mr. Jinnah told the press that Congress had organized itself and was continuing to do so, to launch a mass civil disobedience struggle. Men of the "Indian National Army" were being enrolled, financed, and sent all over the country.

Aug. 1.—Pandit Nehru told the press that his recent statements about the "sovereignty" of the Constituent Assembly were not directed against the interests of the minorities, but only against a "third party" and were intended to prevent intervention by the British Government.

Aug. 2.—The Bombay postal strike was called off after lasting 23 days.

Aug. 5.—Mr. Jinnah, speaking in Bombay, said their demand for Pakistan was based on the right of self-determination, and could not be a justiciable issue (Mr. Patel had recently suggested the reference of the problem to arbitration). He repeated his charge that the Congress had not really accepted the British long-term plan because it had not accepted the basic form of grouping the provinces in the Constituent Assembly. It was clear from Pandit Nehru's speeches that even after the debate in Parliament on July 18 Congress was going into the Assembly not bound by grouping nor confined strictly to the basic form of the document.

Aug. 9.—The Congress Working Committee passed a resolution appealing to the Sikhs to reconsider their decision to abstain from the Elections and to express their willingness to take part in the Constituent Assembly. Students, in defiance of the Government's ban on processions, marched through Delhi on "Quit India Day". The police finally used tear gas and made *lathi* charges to disperse the crowd, and 6 persons were injured and 28 students arrested.

Aug. 10.—The Congress Working Committee passed a resolution reaffirming acceptance of the British long-term plan, and stating that "while they did not approve of all the proposals in the May 16 statement they accepted the scheme in its entirety".

While the Committee held that provincial autonomy was a basic provision, and that each province had the right to decide whether to form or join a group or not, it agreed that the question of interpretations would be decided by the procedure laid down in the British statement, and Congress would advise its representatives in the Constituent Assembly to function accordingly. The Assembly, while sovereign in its right to function and draw up a Constitution without external interference, would naturally function "within the internal limitations which are inherent in its task, and will further seek the largest measure of co-operation in drawing up the Constitution . . . and protection for all just claims and interests". The Committee hoped the Muslim League would join in the Assembly's great task.

A Congress leader told the press that the Party wished to adopt strictly constitutional methods in the Assembly, and on the question of grouping it had no wish to use its "brute" majority to enforce its own interpretations. All points in the Congress attitude to which the League had objected in its decision to reject the Constituent Assembly had been removed.

IRAQ. Aug. 2.—It was announced, in India, that troops were being sent to Basra from there, "in order that they may be at hand for the protection, should circumstances demand it, of Indian, British, and Arab lives, and in order to safeguard Indian and British interests in South Persia". There were many hundreds of Indians employed in the oilfields there and India depended largely on that source for vital supplies of petrol.

Aug. 4.—The Government issued a statement saying that the British Government had informed it of their intention to bring British forces

to replace those at Shiaba (the base near Basra) which they had decided to withdraw. This was in accordance with an annexe to the Anglo-Iraqi Treaty of Alliance. The Iraqi Government expressed its agreement thereto.

The Foreign Minister stated that the arrival of the forces was a routine matter only, and "we do not regard the matter as of any importance".

ITALY. *July 24.*—The Director-General of U.N.R.R.A. told the Rome press that after the end of 1946 payments would have to be made for essential import requirements, and Italy would find herself short of many essentials. Her trade balance would be bound to show a deficit, so the position was serious.

July 25.—The Prime Minister, replying to the debate in the Assembly on the Government's programme, appealed to politicians and the press to respect the realities of the situation. His visit to London last September had shown him that there was more hostility to Italy among the British people than among politicians, as in the popular mind the Italians were remembered for "a mad attempt to strangle the British Empire".

As to Trieste, Italy must declare that the expedient adopted by the Foreign Ministers to solve a problem which risked wrecking the whole peace settlement could not work and would be the source of new troubles. He urged the press to restrain its comments because of the impression they made in Britain and America. The Assembly, by a unanimous vote, approved the Government's foreign policy, but 53 votes out of 441 were cast against the part relating to home affairs.

Statement by British Foreign Secretary on the South Tirol. (*see Great Britain.*)

July 26.—The Cabinet approved a decree imposing heavy penalties for persons dealing in grain earmarked for the pools established by the Government. It also decided to grant a bonus of 3,000 lire to all married workers and of 1,500 lire to single persons, including Civil Servants and all unemployed, as a means of avoiding a general increase in wages.

July 31.—It was announced in Rome that 1,300,000 prisoners of war had been repatriated, and that 123,000 were still in British hands and 13,000 in the Balkans.

Aug. 5.—Demonstrations by unemployed in Milan led to closing of shops and clashes with the police. At Bari 9 people were injured in a clash between unemployed and carabinieri.

Aug. 9.—At Gorizia 26 persons, including 6 members of the Venezia Giulia police, were injured during clashes between Italians and Slovenes.

Aug. 10.—The Prime Minister's Statement at the Peace Conference. (*see the Peace Conference.*)

JAPAN. *July 29.*—The Prime Minister informed the House of Representatives that the Government was now prepared to undertake a much stricter enforcement of Gen. MacArthur's "purge directive" of

January 4, and a special commission had been formed to re-examine rigidly the question of who fell under its terms.

July 30.—Nine war criminals were hanged in Singapore.

Aug. 3.—Japanese immigration to Brazil stopped. (*see Brazil.*)

Aug. 8.—Grant of U.S. loan. (*see U.S.A.*)

JAVA. July 22.—At the Malino conference on the constitutional future of the N.E.I. it was resolved unanimously that they should be reorganized as a federation called the United States of Indonesia. It would consist of 4 parts: Java, Sumatra, Borneo, and the eastern part of the archipelago, to be known as the Great East.

July 23.—Queen Wilhelmina's speech from the Throne. (*see The Netherlands.*)

MANCHURIA. July 24.—The report of the U.S. President's representative for reparations who had toured the Far East showed that industrial removals from Manchuria by the Russians had reduced the country to an agricultural economy. Power, steel, mining, hydro-generation, and other plants had been systematically stripped of much of their equipment and it would be at least a generation before the peoples of the area regained the opportunities they had thus lost.

THE NETHERLANDS. July 23.—The Queen, in the Speech from the Throne, said that in the East Indies a beginning had been made with the establishment of a new political order. In the outer territories the Allied Supreme Command had handed over the responsibility for administration, with a view to meeting national desires in a loyal and peaceful manner, and deliberations were proceeding with representatives of the population. In Java and Sumatra, however, the conditions for such consultation were still lacking, though it was hoped they would soon exist.

Through the United Nations—especially the Security Council as well as the Atomic Energy Commission—the Government was striving to promote good international relations and to make the freeing of the forces locked in the atom lead to the salvation instead of the doom of mankind. The Netherlands intended to lay claim to limited frontier corrections along her eastern border.

NORWAY. July 25.—The Military High Command appealed through the press for information about rocket projectiles landing on Norwegian soil.

PALESTINE. July 22.—British military H.Q. and the principal secretariat offices in Jerusalem were blown up just after noon and 90 people killed. They included the Postmaster-General, the Principal Assistant Secretary to Government, the Acting Financial Secretary and the Under-Secretary, the Commissioner for Commerce and Industry, and other officials and members of the staff. Most of the south-wing

of the King David Hotel, in which the offices were housed, was destroyed. A curfew was imposed and all the city's exits closed.

The perpetrators, dressed as beduin, drove into the hotel yard and carried milk churns into the kitchen quarters.

Leaders of the Jewish Agency and the Jewish National Council issued a statement calling on the Jewish community to "rise up against these abominable outrages", and expressed horror at the "dastardly crime perpetrated by a gang of desperadoes", and deepest sympathy with the relatives of the victims.

July 23.—The following were posted as missing after the search of the hotel: the Economic Adviser to Government, 5 Assistant Secretaries, and an Under-Secretary. The killed included a British officer and 9 soldiers. The High Commissioner arrived back from London.

The Arab Higher Committee, in a manifesto, said the outrage would "prompt Arabs to muster all their strength seriously to organize the defence of their lives. It proves the potential dangers of Zionism, once it establishes its roots in Palestine". It telegraphed accordingly to Mr. Attlee.

Pamphlets distributed in Tel Aviv stated that "soldiers of Irgun Zvai Leumi blew up the offices of the 'occupation' Government". The explosive was laid with a 30-minute fuse and a warning was given.

The military authorities stated that no warning was given.

The Chief Secretary, in a broadcast about the officials who were killed, said that no man could wish to be served by "a more industrious, loyal, and honest group of ordinary, decent people. Their only crime was their devoted, unselfish, and impartial service to Palestine and its peoples. For this they have been rewarded by cold-blooded mass murder".

Publication of letters from Egypt and Iraq *re* settlement of Palestine problem. (*see U.S.A.*)

July 24.—A reward of £2,000 was offered for the capture of Menachem Beigin, the leader of Irgun Zvai Leumi. Information received in Jerusalem showed that the organization's resources came largely from abroad, including arms smuggled from South America, funds from South Africa, and personnel, many of them trained, from Poland, White Russia, and elsewhere in Europe.

The police rounded up and questioned over 700 Jews living behind the King David Hotel and in the Jewish quarter of the Old City.

Publication of White Paper on Palestine. (*see page 463.*)

July 25.—A spokesman of the Jewish Agency stated that not a single one of "the jumble of alleged telegrams" cited in the British White Paper emanated from the Agency in Jerusalem, and the Agency challenged the British Government to prove that it was responsible for their composition, authorization, or dispatch.

The illegal radio, "Voice of Israel", told the Jews to prepare for phase two of British military operations, which would be more cruel than the first.

British H.Q. placed all Jewish places of entertainment, restaurants, shops, etc., out of bounds to all ranks.

The Secretary of the Arab Higher Executive issued a statement recalling that Arab organizations were disbanded and members deported in 1937, and declaring that the Government was shirking its responsibility in not dissolving the Jewish Agency. It added: "if this Holy Land is to remain holy it must be handed over to its lawful Arab owners, who will know how to maintain public security".

Invitation to a conference in London. (*see Great Britain.*) Proposals for future of Palestine submitted to U.S. Government. (*see U.S.A.*)

July 26.—The Government arrested 376 Jews in various parts of the country, all of whom were suspected of connection with terrorism. Final figures of the killed and missing, now presumed killed, in the hotel outrage, were 91.

Some 2,000 members of the Arab emergency force named Najjada marched through Jaffa and took an oath of "allegiance and loyalty" before the leaders of the Arab Higher Committee. Jamal Husseini, addressing them, said the movement's first aim should be to enforce the boycott of Jewish products and end the "irreparable mischief done by land brokers".

The British Commander in Palestine was reported by the press to have issued a letter to officers in which he said that "No British soldier is to have any social intercourse with any Jew, and any intercourse in the way of duty should be as brief as possible and kept to the business in hand".

July 27.—The Secretary of the Arab Higher Committee said they emphatically rejected partition in all its aspects. It was impracticable from the political, administrative, financial, and social points of view. The Committee would refuse to sit with Jews on any conference on the future of Palestine.

Unofficial accounts of the Anglo-American proposals were published in the press.

It was learnt that Sir John Shaw, in reply to a letter of grief and regret about the Jerusalem outrage from the head of the New Zionist Organization and the Revisionists in Palestine, had written to say that "according to their own published boast this revolting crime was perpetrated by the National Military Organization, which is associated with the New Zionist Organization. In these circumstances I find myself unable to accept the expressions of regret and sympathy which emanate from the central office of the Organization".

July 28.—Sir John Shaw left for London.

July 29.—A vessel named *Hagana* arrived at Haifa under naval escort with some 2,600 illegal immigrants on board.

The acting chairman and two leading members of the Jewish Agency executive left for Paris.

July 30.—British forces began a house to house search of the Tel Aviv area, with some 200,000 inhabitants, in order to find the men responsible for the acts of terrorism. Everyone was shut indoors, and an order was broadcast that any one breaking the curfew was liable to be shot on sight. The whole area was sealed off, and no craft were allowed to put to sea.

The High Commissioner announced that the search was the direct result of the outrage of July 22. The Government had clear evidence of the existence of terrorists in Tel Aviv and that some if not all the culprits came from that town.

July 31.—Arrests during the day numbered 466. At Tel Aviv a store of revolvers, land mines, British uniforms, and a radio transmitter was found in the basement of the largest synagogue in Palestine and much material was discovered in other hiding places. In Jerusalem house to house searches were made in limited areas, without imposing a curfew.

A Jewish ship flying the Zionist flag and with 500 immigrants on board was brought into Haifa under arrest.

Mr. Morrison's statement in Parliament in London. (*see page 465.*)

Aug. 1.—Stores of arms were found in Tel Aviv, Jerusalem, and near the Atarot settlement. Suspects detained now totalled 510 men and 17 women, 35 of whom were described as "extremely important persons". Another ship, the *Yagour*, arrived off Haifa with 2,000 immigrants, making the total in the harbour over 5,000.

Aug. 2.—The curfew over most of the Tel Aviv area was lifted at 3 p.m. In less than 4 days the Army had examined about 120,000 people between 15 and 50 years of age without serious incident. 787 persons were detained, of whom 55 were believed to be terrorists.

The Government announced that during the search a packet of papers was found containing a note dated July 1 written by Moshe Sneh, executive and head of Hagana, and 2 orders of that organization's striking force (the Palmach) dated after the outrage giving instructions to its members as to how to behave when interrogated by the British forces. The special detachment men were told to give false names, and suspects were not to sleep in their usual dwellings. The British Government had begun "an attack on the Jews of Palestine and on their achievements", and it was intended to break the Hagana, in order to make the Jewish Yishuv "incapable of resisting the policy which will destroy Zionism".

Final figures of the Jerusalem outrage gave the dead as 91.

Aug. 3.—The "Voice of Israel" resumed broadcasting.

About 1000 illegal immigrants were landed at Haifa, leaving some 2250 still on board four ships.

Aug. 4.—The "Voice of Fighting Zion", the secret radio of Irgun Zvai Leumi, said that the next curfew would be defied.

Aug. 5.—The Jewish Agency Executive announced that it regarded the federation plan "as announced by Mr. Herbert Morrison in the House of Commons as unacceptable as a basis for discussion". A spokesman told the press that the plan offered no independence either to the Jews or the Arabs. Self-government in the provinces was illusory.

A further 800 Jews were brought ashore at Haifa.

Aug. 7.—A meeting of Arab mayors passed resolutions rejecting a federal plan for Palestine, and calling on the Arab League to bring the problem before U.N.O.

Aug. 8.—The High Commissioner received the vice-Chairman of the

Arab Higher Executive and gave him the Government's invitation to attend a conference in London. Jamal Husseini said that no invitation could be accepted to discussions of which the basis would be the proposed federal plan. The head of the Arab Office in Jerusalem said the Arab world was unanimous in rejecting the proposals for federation, and all diplomatic and political means were being mobilized to defeat it. Should these efforts fail there were "endless ways and means" for further action. Invitations to attend the conference in London had been accepted by Arabs before the announcement of the federal plan. Those who went would present a united front for "a national democratic Arab State in Palestine". The Mufti would be the *de jure* head of any Palestine delegation, but would remain in Alexandria. Zionist policy was an acid test for the Soviet Government. Zionism was a "racial capitalist movement". Russia, as a great Power, was equally concerned about Palestine with the U.S.A. No decision had yet been made about an Arab delegation to Moscow.

Aug. 10.—The High Commissioner again saw Jamal Husseini and repeated the invitation to the conference in London, saying that the talks would not be restricted to the scheme based on federation, but might be extended to cover discussions on new proposals by the Arabs.

Two anonymous warnings of impending explosions were received in British official premises in Jerusalem.

PERSIA. July 31. All the members of the Cabinet submitted their resignation to the Prime Minister.

Aug. 1.—Qawam-es-Sultain reconstituted the Cabinet, including 3 members of the Tudeh Party: Iraj Eskendari, as Minister of Commerce and Industry; Dr. F. Kishavarz, Education; and Dr. Jazdi, Health. Abdul Haghir was Minister of Finance; Alahyar Saleh, Justice; and Prince Firouz, Labour and Propaganda, a new ministry. The Premier took the portfolios of Foreign Affairs and the Interior.

Aug. 2.—Announcement of sending of British troops to Basra. (see Iraq.)

Aug. 3.—The Government issued a statement saying that it would never permit foreign interference in Persian internal affairs. Officials not accredited to the Foreign Ministry must cease immediately social and other relations with all Embassies.

Aug. 4.—The press approved the statement. A British Embassy spokesman pointed out that not a single Indian or other soldier was on Persian soil.

Aug. 5.—Prince Firouz told the press that in existing circumstances there was "not the slightest legal justification" for dispatch of troops by Britain to Basra. There was perfect order in Khuzistan, and if under the pretext of maintaining order there troops had already gone to Basra it would constitute a breach of Persian national sovereignty, and be considered contrary to the Charter of U.N.O.

A number of people were killed and injured in a clash in Teheran between members of the Tudeh Party and those of the Premier's Democratic Party. Police fired into the crowd.

Aug. 8.—It was announced that the Government had protested to Britain against the presence of Indian troops at Basra and had requested their immediate withdrawal.

POLAND. *July 25.*—The suppression was announced of a large organization which had "the closest contacts with Gen. Anders", many of whose members had been arrested.

July 27.—The Cabinet decided to remove land reform and agricultural planning boards from the control of the Minister of Agriculture (M. Mikolajczyk) and place them under the county and district governors. The Communist paper *Glos Ludu*, regarded as the mouthpiece of the Vice-Premier and of the majority of the Cabinet, told M. Mikolajczyk that he would have to choose between "joining the democratic camp or the forest party" (the terrorists). By joining the latter he would go over, together with the Fascist underground and Gen. Anders's bands, to foreign force inimical to Poland, "and sail towards hopeless adventure, bankruptcy, and disaster".

Aug. 1.—The Government decided to send a special mission to the U.N.R.R.A. conference at Geneva to plead for its continuation after the end of 1946.

Aug. 5.—The Prime Minister, writing in the Socialist paper *Robotnik*, warned the Opposition that "the independence and sovereignty of Poland are closely bound up with the democratic camp. We should eventually be threatened by the loss of independence and sovereignty if reactionary and irresponsible political elements should obtain a voice which would endanger what is fundamental in a reborn independent Poland—the alliance with Soviet Russia".

Aug. 7.—A Warsaw military court condemned to death 5 men and a woman for espionage and collaboration with Polish organizations abroad, including members of Gen. Anders's H.Q. and Polish groups at Regensburg (in the U.S. zone).

Aug. 8.—It was learnt that an economic agreement had been signed with Czechoslovakia providing for the exchange of Polish electric current for Czech goods, and establishing a regular train and air service between Warsaw and Prague.

Aug. 10.—The Foreign Ministry handed the British Embassy a Note protesting against the formation in the U.K. of training units of demobilized Poles, on the ground that they were a military organization and a potential threat to Polish interests and hostile to the Government.

SIAM. *Aug. 5.*—The Government applied for membership of U.N.O.

SOUTHERN RHODESIA. *July 26.*—Parliament passed an Aliens Bill providing for an immigration quota of aliens of up to 10 per cent, and for their selection.

SPAIN. *Aug. 5.*—The Government were informed by the British Government that no control now existed on passengers or crews travelling on board Spanish ships.

Aug. 8.—The Government decided to facilitate the granting of visas to persons wishing to visit Spain except for those known to be hostile to the régime.

Aug. 10.—The Government appealed to Germans still in Spain whose repatriation had been demanded by the British and U.S. Governments to go back to Germany.

SWEDEN. *Aug. 11.*—The Government announced its intention to apply immediately for membership of U.N.O.

SWITZERLAND. *Aug. 3.*—The Secretary-General of U.N.O. discussed with the Government the readiness of Switzerland to co-operate with U.N.O., subject to her special position as a neutral.

SYRIA AND THE LEBANON. *July 28.*—The two Governments accepted the invitations to the conference on Palestine.

Aug. 4.—Bombs exploded in Beirut, damaging the U.S. and British Consulates. Both buildings were empty. The Prime Minister of the Lebanon offered a large reward for information leading to the capture of those responsible, and the Government expressed its deep regret to the two Governments.

TURKEY. *July 23.*—The People's (Government) Party won 395 out of the 465 seats in the National Assembly, the Democratic Party 66, and Independents 4.

Aug. 3.—The Government resigned, and M. Peker, a leader of the People's Party, was asked to form a Cabinet.

Aug. 5.—Gen. İnönü was re-elected President of the Republic by the new National Assembly.

Aug. 6.—M. Peker formed a Cabinet with the same Ministers of Foreign Affairs, Justice, Labour, and Customs Monopolies as before.

U.S.A. *July 22.*—The Export-Import Bank announced a grant to Czechoslovakia of a credit of \$20 million for the purchase of cotton.

The Department of Agriculture announced that a record harvest of wheat and corn (maize) was expected.

July 23.—Mr. Truman, in a statement about the outrage in Palestine, said "every responsible Jewish leader, I am sure, will join with me in condemning the wanton slaying of human beings". Such acts of terrorism would not advance but might well retard the efforts being made, and which would continue to be made, to bring about a peaceful solution to the problem of implementing the report of the Anglo-American Committee.

The House of Representatives approved a new compromise Office of Price Administration Bill reviving modified price control.

The acting Secretary-General of U.N.O. published the invitations sent by Egypt and Iraq in June to the British Government to enter into negotiations for an "arrangement destined to end the present situation in Palestine and to instal a new régime in accordance with the aims

expressed in the U.N. Charter". Both Governments asked Britain to take no steps before the September meeting of U.N.O. contrary to pledges in the White Paper of 1939.

Note to the Soviet Government about Hungary. (*see U.S.S.R.*)

July 24.—The U.N. Secretariat announced that the Secretary-General did not consider that the Egyptian communication about Palestine constituted an official request to put the question on the provisional agenda of the Assembly's coming session.

July 25.—The President signed the Office of Price Administration Bill, which re-established modified controls until June 30, 1947. It deprived the Office of much of its authority.

The State Department announced that the U.S.A. would withdraw from the international air transport agreement on July 25, 1947 because the multilateral negotiations by which it was hoped to get other principal aviation Powers to join it had failed. (15 nations had signed the "five freedoms" agreement reached in Chicago in December, 1944 but only 2 of them, besides the U.S.A., had major air lines.)

The Secretary of State received from the joint Anglo-American Cabinet committee in London proposals for a settlement of the Palestine problem to serve as a basis of discussion. As such it had been approved by the British Cabinet. It provided for a period of experiment in federation and self-government. Palestine would be divided into 3 areas, one for the Jews of 1,500 odd square miles, or 17 per cent of the whole, one for the Arabs of 40 per cent, and one under the central Government, for an unspecified period, which would include Jerusalem and an area round it. The Jewish area would include Eastern Galilee, most of the Esdraelon and Jezreel Valleys, Beisan, Haifa, the Plain of Sharon (excluding Jaffa) and part of the southern coastal plain.

The central Government, which would consist of a nominated Council composed of the heads of major Government departments, would control foreign exchange and currency, defence, foreign relations, police, prisons, courts, railway facilities at Haifa, posts and telegraphs, Customs, excise, and broadcasting. It would have final authority for immigration, subject to appeal to the U.N.O.

There would be an elected Legislature in the Jewish and Arab provinces. The High Commissioner would have emergency power to supersede the Provincial Government in whole or in part. For the first 5 years he would appoint the Presiding Officer of each province.

The immigration of the 100,000 Jews would begin only after it had been decided to put these proposals into effect.

July 27.—Mr. Byrnes left for Paris, and was seen off by the President, the Chief Justice, and many leading politicians. He said that, in contrast to 1919, "we are of one mind that America must never return to isolation", knowing that, however difficult the paths of international co-operation, isolation could provide no security.

The Soviet Government's reply to the U.S. Note. (*see U.S.S.R.*)

July 29.—The State Department announced that the British Government had accepted in principle the invitation for their zone in Germany to join the U.S. zone and others in a single economic unit. It hoped

other Powers would find it possible to give an equally favourable reply.

The Department of Agriculture announced the allocation of 175,000 tons of bread grain for August to the U.K. and 120,000 tons to the British zone in Germany.

The Senate completed Congress's approval of a resolution authorizing a loan of \$75 million to the Philippine Republic.

Aug. 2.—The Presidential Evaluation Commission reported on the Bikini atom bomb tests, stating that they "strongly indicate that future wars employing atom bombs may well destroy nations and change the present standards of civilization. . . . It is evident that if there is to be any security or safety in the world, war must be eliminated as a means of settling differences between nations".

President Truman signed the Bill setting up the U.S. civilian control authority for the domestic development of atomic energy. It provided for the death penalty for major offences against the Bill.

Aug. 4.—The Department of Commerce announced that foreign buying on a large scale by the civilian agencies of the Government would continue, and that rubber was being bought in the Far East, and sugar in Cuba.

Aug. 5.—The International Emergency Food Council recommended an allotment of 270,000 tons of rice for India during the second half of 1946, of 280,000 tons for China, 180,000 for Ceylon, 170,000 for Malaya, and 145,000 for the Philippines.

Aug. 6.—The Assistant Secretary of State told the press that no "official decision" had been reached regarding the plan for Palestine.

Aug. 8.—The Government announced its decision to grant credits of \$30 million to Japan and \$25 million to Korea for the purchase of U.S. Army and Navy property. The credits were to run for 30 years at 2 $\frac{3}{8}$ per cent.

Aug. 10.—The Under-Secretary for War announced that the Government were building up a war reserve of "critical materials we need first in an emergency", valued at some \$2,000 million.

The commander of the atom bomb task force announced that the bomb exploded on July 25 sank 95,220 tons of shipping, four times as much as was sunk by the bomb exploded in the air.

It was learnt that the Government had asked the Soviet Government for freedom of diplomatic communication for its Consul in Darien, whose reports to the State Department had been interfered with.

U.S.S.R. July 23.—Marshal Stalin received M. Trygve Lie.

The U.S. Ambassador handed M. Molotov a Note pointing out that the Soviet authorities in Hungary were stripping the country of food and industrial materials, and charging Russia with not living up to the Yalta agreement to help the former Axis satellites to solve their "pressing economic problems". The Red Army had removed 4 million tons of wheat, rye, barley, maize, etc., in the first half of 1945, and had consumed almost all the meat available to the population of the cities during the second half of 1945. Industrial equipment was taken to a value of \$124 million.

July 24.—Rejection of U.S. proposals for an atomic energy development authority, etc. (*see International Conferences.*)

July 27.—The Government, replying to the U.S. Note of July 23, stated that in fact "the Soviet troops received not more than 3 per cent of the total harvest, and the fats they received accounted for not more than 8 per cent of the total number of hogs". Reparation deliveries during 1945 did not exceed \$10 million, and taking into account goods received by Hungary from the U.S.S.R., the total balance of goods sent by Hungary did not exceed \$3,700,000. "The Soviet troops have sent from Hungary as booty the equipment of several war industrial plants valued, altogether, at not more than \$11 million." The U.S. Government was accused of creating very serious economic conditions in Hungary by keeping in Austria and Germany Hungarian gold, and property valued approximately at \$3,000 million which was removed there by Germans and Szalasi's followers early in 1945. The U.S. proposal for a 3-Power Commission to work out a plan for Hungary's economic rehabilitation was rejected as "such a plan is a matter solely for the Hungarian Government".

The Tass Agency announced that the Government had agreed to the following plan for reparations deliveries by Hungary:—for 1946—\$21,800,000; in 1947—\$23 million; in 1948—\$25 million; in 1949-53—\$30 million annually.

July 31.—*Izvestia* published an article demanding that the Allies should pronounce the Austrian nationalization law illegal.

Aug. 1.—Gen Vlassov, who formed a "Russian Legion" in 1943 to fight for the Germans, and 11 of his supporters were hanged in Moscow.

The Government rejected as "completely groundless" the U.S. complaint that Soviet policy was ruining the economy of Hungary, and as "unacceptable" a U.S. suggestion that a 3-Power committee should work out a plan for the economic rehabilitation of the country.

Aug. 7.—Marshal Stalin received an official delegation of the British Labour Party Executive.

VATICAN CITY. *Aug. 3.*—The Pope received an Arab mission, composed of Muslims and Christians, which represented the Arab Higher Committee of Palestine. He gave assurances that he would do everything in his power to promote justice and peace in Palestine.

YUGOSLAVIA. *July 26.*—The Director-General of U.N.R.R.A. arrived in Belgrade.

July 27.—Marshal Tito, speaking at Dubrovnik, said their delegation at the peace conference would "endeavour to rectify" the decision of the Foreign Ministers on Trieste. M. Molotov had defended the Yugoslav cause as much as he could, but "he had to give in in order to avoid the failure of the conference". He had not lost hope, however, and "in the long run Trieste will one day belong to us".

THE WHITE PAPER ON THE PALESTINE OUTRAGES

ON July 24 the British Government issued a White Paper (Cmd. 6873) with information regarding acts of violence in Palestine, i.e., the sabotage on Oct. 31 and Nov. 1, 1945, Feb. 20-25, 1946, and June 16-18, 1946. The information in the Government's possession when they undertook their recent action in Palestine led them to draw the following conclusions:—

(1) That the Hagana and the Palmach (working under the political control of prominent members of the Jewish Agency) had been engaging in carefully planned movements of sabotage and violence under the guise of the "Jewish Resistance Movement".

(2) That the Irgun Zvai Leumi and the Stern Group had worked since last autumn in co-operation with the Hagana High Command in certain of these operations.

(3) That the broadcasting station "Kol Israel", claiming to be the "Voice of the Resistance Movement", and working under the general direction of the Jewish Agency, had been supporting these organizations.

The evidence for these conclusions was derived in the main from: (1) information showing that between Sept. 23 and Nov. 3, 1945 seven telegrams passed between London and Jerusalem, and a further telegram on May 12, 1946. Copies of these were set out; (2) broadcasts by Kol Israel between Oct. 3, 1945 and June 23, 1946 referring to specific acts; and (3) information on various dates derived from *Hamaas* (the publication of the Stern Group), *Herut* (that of the Irgun Zvai Leumi), and *Eshnav* (that of the "Jewish Resistance Movement"). All three para-military organizations participated in these 3 actions.

I. ATTACKS ON RAILWAYS, POLICE LAUNCHES, AND HAIFA REFINERY, OCTOBER-NOVEMBER, 1945

The Palmach blew up the railway in 153 places and attacked Lydda station, destroyed 3 launches, and tried to blow up Haifa refinery. Telegrams exchanged between the security member of the Jewish Agency executive, the legal adviser to the Agency in Jerusalem, and the head of the political department of the Agency, while in London, showed that these incidents were carefully planned in advance as part of a deliberate policy, to warn the British Government of the consequences that would follow if they did not comply with the Jewish community's wishes.

Telegrams were also cited showing that the Kol Israel radio was working with the agreement of the Jewish Agency.

II. ATTACKS ON HAIFA RADAR STATION, PALESTINE MOBILE FORCE CAMPS, AND AIRFIELDS, FEB. 20-25, 1946

On Feb. 20 the Palmach attacked the Radar station, and on Feb. 22 3 Mobile Force camps, causing casualties and damage. On Feb. 25 the Irgun Zvai Leumi and the Stern Group attacked 3 airfields, destroying

7 aircraft. On March 3 Kol Israel radio described the attacks as "symptomatic of our struggle"; the struggle of the Jewish people "against the forces which aim to throttle them and their natural aspirations for normal nationhood in their National Home".

III. ATTACKS ON BRIDGES AND RAILWAY WORKSHOPS, AND KIDNAPPING OF BRITISH OFFICERS, JUNE 16-18, 1946

On June 16 Hagana attacked road and rail bridges on the frontier, causing damage estimated at £250,000, and a British officer was killed. Next day the Stern Group attacked Haifa railway workshops, and on June 18 six British officers were kidnapped, 5 of them at Tel Aviv.

On May 12 Kol Israel broadcast a warning the Jewish Resistance Movement intended to lay before the British Government. Britain, in evacuating Egypt, Syria, and the Lebanon, intended to concentrate her military bases in Palestine and was therefore concerned to strengthen her hold over the Mandate, and was using her responsibility to the Jewish people merely as a means to that end. But this double game would not work. From the Zionist point of view the tepid conclusions of the Commission bore no relation to the political claims of the Jewish people, but even in the execution of these proposals the British Government was displaying a vacillation at once disappointing and discreditable. The British Government was therefore publicly warned that if it did not fulfil its responsibilities under the Mandate and above all regarding the question of immigration—the Jewish people would feel obliged to lay before the nations of the world the request that the British leave Palestine. The Resistance Movement would "make every effort to hinder the transfer of British bases to Palestine and to prevent their establishment in the country".

This broadcast was given at the express request of the head of the Jewish Agency's political department, and had also been passed on to Mr. Ben Gurion, chairman of the Executive. This was shown by a telegram from the security member in Jerusalem to "Daniel" in London.

The evidence given above was not a complete statement of all the evidence in the possession of the Government, nor was the list of incidents by any means complete. In the first 6 months of 1946 there were nearly 50 of these, all involving violence and often loss of life, and unless the Government were prepared to yield to threats they were bound to take active steps against persons or organizations who had made themselves responsible for the planning and carrying out of the outrages dealt with in this Paper.

THE PLAN FOR PALESTINE

Statement by the British Government

On July 31 Mr. Morrison (in the absence in Paris of the Prime Minister) announced in Parliament that the Government had informed the U.S.A. of their willingness to accept as a basis for negotiation the recommendations regarding Palestine of the Anglo-American expert delegations. He emphasized that the implementation of the plan as a whole depended on United States co-operation.

Opening a debate on Palestine, Mr. Morrison described the Jerusalem outrage of July 22 and the steps taken to discover the culprits, and went on to say that some of Hitler's victims, fleeing from Europe, had carried with them the germs of the very plagues they sought to escape—intolerance, racial pride, terrorism, and the worship of force. "Zionism is regarded by its supporters", he said, "as the expression of a profound and splendid impulse in the soul of the Jewish people, and its purpose as transcending the material needs of the immediate present. . . . Sane and healthy nationalism has inspired many of the finest achievements of mankind; its perversion spells only degradation and depravity." The Jewish leaders had failed to preserve their movement from the contagion of these false ideals.

After the murder of Lord Moyne there had been a lull in terrorist activities, but in May, 1945 outbreaks of violence were resumed, and the Chairman and political secretary of the Jewish Agency told the press that it could not assist the Government in preventing such acts, excusing themselves on the ground that it was difficult to appeal to the Jewish community to observe the law at a time when the mandatory Government was itself consistently violating the fundamental law of the country embodied in the Mandate.

Several leaders of the Agency had become directly implicated in the terrorist campaign. The Government had ample evidence of this, and had therefore been driven to the decision that drastic action could no longer be postponed. Hence the operations begun on July 29.

The Government's representatives and those of the U.S. Government—the expert delegations—had completed their examination of the Anglo-American Committee's recommendations, and now proposed the following means of contributing towards a solution of the problem of finding new homes for all displaced persons, irrespective of creed or nationality. "First, that the two Governments should seek to create conditions favourable to the resettlement of a substantial number of displaced persons in Europe itself, since it is recognized that the overwhelming majority will continue to live in Europe. In the British and American zones of Germany and Austria our two Governments are doing their utmost to assist resettlement and to eradicate anti-Semitism. In Italy and the ex-enemy satellite States the authorities will be required by the peace treaties to secure to all persons under their jurisdiction human rights and the fundamental freedoms.

"As regards the countries in Europe, the expert delegations recommend that our Governments should support the efforts of the United

Nations to ensure the protection of those rights and freedoms. Further, by assisting to re-establish political and economic stability in Europe, we should continue to contribute to the restoration of those basic conditions which will make possible the reintegration in Europe of a substantial number of displaced persons, including Jews.

"But when all that is possible has been done in Europe it is clear that new homes must be found oversea for many whose ties with their former communities have been irreparably broken. The expert delegations outlined the following measures—some of which are already in train—designed to promote this movement. First, we should continue to press for the establishment of an International Refugee Organization designed to deal effectively with the problem of refugees and displaced persons as a whole. Secondly, we should give strong support at the forthcoming General Assembly of the United Nations to an appeal calling upon all member Governments to receive in territories under their control a proportion of the displaced persons in Europe, including Jews.

"I should here interpolate that the Government have already given a lead in this matter by accepting a commitment to promote the resettlement of about 235,000 Polish troops and civilians and their dependents. This is, of course, in addition to refugees admitted during the period of Nazi persecution, of whom some 70,000 Jews remain in the United Kingdom.

"H.M. Governments in the Dominions have been informed of the action being taken by H.M.'s Government in the United Kingdom, and they will, we hope, support the appeal to member Governments of the United Nations, an appeal which will include an invitation to receive a number of displaced persons in the territories under their control. I also understand that the United States, where 275,000 refugees (including 180,000 Jews) have permanently resettled in the same period, are now resuming normal immigration and expect to receive some 53,000 immigrants each year from the European countries from which the displaced persons are drawn.

"Finally, pending the establishment of an International Refugee Organization, we shall, in co-operation with the Government of the United States, continue to promote the resettlement of refugees and displaced persons through the agency of the Inter-Governmental Committee on Refugees. Plans are in preparation, in co-operation with the nations concerned, for resettling large numbers of displaced persons in Brazil and other South American countries."

He pointed out that the broader aspects of the refugee problem had not been overlooked, while they were also taking urgent and practical steps to ensure that other countries as well as Palestine should contribute to the resettlement of those displaced persons, including Jews, who must look elsewhere than to Europe for their homes.

The expert delegations accepted as a basis for their policy for Palestine the principles laid down in the 3rd recommendation of the Anglo-American Committee. They argued that the political aspirations of the two communities were irreconcilable, and there was little hope of

securing within a reasonable period the co-operation between Arab and Jew which might make possible the establishment of a unitary system of government. The only chance of peace and of advance towards self-government lay in so framing the Constitution as to give to each the greatest practicable measure of power to manage their own affairs. He went on:

"It is their proposal that for this purpose Palestine shall be divided into four areas, an Arab province, a Jewish province, a district of Jerusalem, and a district of the Negeb. The Jewish province would include the great bulk of the land on which Jews have already settled and a considerable area between and around the settlements. The Jerusalem district would include Jerusalem, Bethlehem, and their immediate environs. The Negeb district would consist of the uninhabited triangle of waste land in the south of Palestine beyond the present limits of cultivation. The Arab province would include the remainder of Palestine; it would be almost wholly Arab in respect both of land and population.

"The provincial boundaries would be purely administrative boundaries, defining the area within which a local legislature would be empowered to legislate on certain subjects and a local executive to administer its laws. They would have no significance as regards defence, Customs, or communications. But in order to give finality, the boundaries, once fixed, would not be susceptible of change except by agreement between the two provinces. A provision to this effect would be embodied in any trusteeship agreement and in the instrument bringing the plan into operation.

"The Provincial governments would have power of legislation and administration within their areas with regard to a wide range of subjects of primarily provincial concern. They would also have power to limit the number and determine the qualifications of persons who may take up permanent residence in their territories after the introduction of the plan. The Provincial governments would be required by the instrument of government which established the fundamental law to provide for the guarantee of civil rights and equality before the law of all residents and for the freedom of inter-territorial transit, trade, and commerce. The Provincial governments would have the necessary power to raise money for the purpose of carrying out their functions.

"There will be reserved to the Central Government exclusive authority as to defence, foreign relations, Customs, and Excise. In addition there would be reserved initially to the Central Government exclusive authority as to the administration of law and order, including the police and courts, and a limited number of subjects of all-Palestine importance. The Central Government would have all powers not expressly granted to the provinces by the instrument of government.

"An elected legislative chamber would be established in each province. An executive, consisting of a chief minister and a council of ministers, would be appointed in each province by the High Commissioner from among the members of the legislative chamber after consultation with its leaders. Bills passed by the legislative chambers

would require the assent of the High Commissioner. This, however, would not be withheld unless the Bill is inconsistent with the instrument of government, whose provisions would afford safeguards for the peace of Palestine and for the rights of minorities. It would also be necessary to reserve to the High Commissioner an emergency power to intervene if a Provincial government fails to perform or exceeds its proper functions. The executive and legislative functions of the Central Government would be exercised initially by the High Commissioner, assisted by a nominated executive council. Certain of the departments of the Central Government would be headed, as soon as the High Commissioner deems practicable, by Palestinians.

"The High Commissioner would establish a Development Planning Board and a Tariff Board composed of representatives of the Central Government and of each province.

"In the Jerusalem district a council would be established with powers similar to those of a municipal council. The majority of its members would be elected, but certain members would be nominated by the High Commissioner. The Negeb district would be administered for the time being by the Central Government.

"This plan for provincial autonomy would greatly simplify the problem of Jewish immigration into Palestine. Though final control over immigration would continue to rest with the Central Government, this control would be exercised on the basis of recommendations made by the Provincial governments. So long as the economic absorptive capacity of the province was not exceeded, the Central Government would authorize the immigration desired by the Provincial government. It would have no power to authorize immigration in excess of any limitations proposed by the Provincial governments. Thus, though the government of the Arab province would have full power to exclude Jewish immigrants from its province, the Jewish province would normally be able to admit as many immigrants as its government desired.

"As part of this plan the experts suggest that it would become possible to accept the recommendations of the Anglo-American Committee for the immediate admission of 100,000 Jewish immigrants into Palestine and for continuing immigration thereafter. The experts prepared a plan for the movement of 100,000 Jews from Europe into the Jewish area of Palestine, and this plan could be set in motion as soon as it was decided to put into effect the scheme as a whole."

Immigration certificates would be issued as rapidly as possible and every effort made to complete the operation in 12 months. The bulk of the 100,000 would be drawn from Germany, Austria, and Italy. The U.S. Government would be asked to undertake sole responsibility for the sea transportation of the Jews from Europe, and would provide food for them for the first 2 months after their arrival in Palestine. The cost of transferring and settling them would be considerable. The Jewish organizations had accepted financial responsibility.

The experts accepted the recommendations of the Committee that improvements of the economic and social conditions of the Arabs were

desirable and suggested a programme including the provision of a health service comparable to that already available to the Jews, an expansion of educational facilities, the provision of cheap credit for cultivators, the promotion of the co-operative movement, development of light industries, and improvements in both rural and urban living conditions.

These plans would impose heavy capital costs not eligible for loans and would be a severe strain on Palestine's finances, and the setting up of a provincial system would entail a deficit in the Budget of the Arab province which would necessitate a Central Government subvention. The experts accordingly suggested that the U.S.A. should be asked to make a grant to the Palestine Government to be used mainly for financing Arab development projects not suitable for self-liquidating loans and for helping to meet extraordinary expenditure during the transition period, while Britain should be asked to take ultimate responsibility for meeting the annual budget deficit till increased revenues made this unnecessary.

The British Government had informed the U.S.A. of their willingness to accept these proposals as a basis for negotiation. President Truman, however, had decided, in view of the complexity of the matter, to discuss it in detail with the U.S. expert delegation, who were returning to Washington for the purpose. Meanwhile, H.M. Government were inviting representatives of the Jews and Arabs to meet them for discussion of the problems and hoped to be able to bring before them the plan recommended by the experts. If it was found acceptable they intended that it should be embodied in a trusteeship agreement for Palestine.

They believed the proposed constitutional scheme offered many advantages to both communities. The Jews would be free to exercise a large measure of control over immigration into their own province and to forward there the development of their National Home. The Land Transfer regulations would be repealed. It would be open to the Government of the Arab province to permit or to refuse permission to Jews to purchase land there, but the area of the Jewish province would be larger than that in which Jews were free to buy land at present. As to the Arabs, they would gain in that "the great majority of them will be freed, once and for all, from any fear of Jewish domination. The citizens of the Arab province will achieve at once a large measure of autonomy, and powerful safeguards will be provided to protect the rights of the Arab minority left in the Jewish province. To both communities the plan offers a prospect of development towards self-government of which there would be little hope in a unitary Palestine.

"In the long term, the plan leaves the way open for peaceful progress and constitutional development either towards partition or towards federal unity. The association of representatives of the two provinces in the administration of central subjects may lead ultimately to a fully developed federal constitution. On the other hand, if the centrifugal forces prove too strong, the way is open towards partition. Our proposals do not prejudice this issue either way. We believe that this plan provides as fair and reasonable a compromise between the claims

of Arab and Jew as it is possible to devise, and that it offers the best prospect of reconciling the conflicting interests of the two communities.

"This, however, must be made clear: the implementation of the experts' plan as a whole depends on United States co-operation. I hope that that will be forthcoming. If not, we shall have to reconsider the position, particularly as regards the economic and financial implications, and this is bound to affect the tempo and extent of immigration and development."

THE PEACE CONFERENCE OF 21 NATIONS

July 27.—M. Molotov and M. Vyshinsky arrived in Paris; also the Foreign Ministers of the Ukraine and White Russia, and those of Estonia, Latvia, and Lithuania.

July 28.—Mr. Attlee, Mr. A. V. Alexander, and the other British delegates arrived in Paris; also Mr. Byrnes and the Assistant U.S. Secretary of State, Mr. Clayton, Mr. Mackenzie King, Dr. Evatt, and Mr. Jan Masaryk.

July 29.—The conference was opened by M. Bidault, who said that the underlying cause of failure of the peace settlement after the 1914 war lay in the fact that Russia and America had no part in it. That source of weakness did not now exist. They now met to deal with the draft treaties with Italy, Hungary, Rumania, Bulgaria, and Finland submitted to them by the Foreign Ministers' conference, and complete assurances had been given that they would hold the widest and fullest possible discussion, and that the final drawing up of the treaty proposals would take place only after the recommendations of the members of the conference had been assured full and ample consideration.

He then proposed that the committee on procedure should be composed of members of the 21 delegations, but not necessarily the leading members, and that to save time it might meet in another room while the plenary sessions were going on.

Dr. Evatt at once challenged the rules of procedure suggested by the Foreign Ministers of the Big Four, and in particular objected to the proposal that alterations in the 5 draft treaties could be made only by a two-thirds majority vote. The committee on procedure would determine how the whole conference was to work, and would determine by what kind of majority recommendations would be carried, and this was a matter of supreme importance, and it ought not to sit at the same time as the plenary sessions. Its decisions would involve the status of the 17 States other than the four; they would determine the real power of the conference—whether or not the wishes of the majority were to be effective. He declared that some of the States which were not of the four had "as much right as some of the four to take part in the final drafting of the treaties".

Mr. Byrnes supported the proposal that the committee and the conference should sit at different times, and agreed with Dr. Evatt that many heads of delegations would want to join in the committee's work.

M. Bidault had no objection, and it was agreed that the committee should meet in the morning and the conference in the afternoon.

July 30.—Mr. Byrnes, referring to criticisms of the meetings of the four Foreign Ministers, pointed out that treaties which determined boundaries and the disposition of colonies and territories could not be made effective if they were not accepted by the principal allied States. If these had not tried to harmonize their views before the conference the latter might have to go on for months while efforts were being made to reconcile their positions. The Council of Foreign Ministers was pledged not only to take into account the recommendations there made, but not to reject any of them arbitrarily. His Government believed that those who fought the war should make the peace.

Dr. Wang said the victors must abide by the Charter when dealing with conflicting territorial claims, and added a reminder that no matter what differences existed between Governments there was a unanimous desire among common people everywhere for a real peace. A settlement for the Italian colonies would affect world opinion, since the grant or promise of self-government to at least some of them would inspire hope and confidence in millions elsewhere "awaiting early and full realization of their legitimate aspirations".

Mr. Attlee said that the 5 erring members of the European family circle were not responsible for the calamity which befell the world, but they had been accessories. In approaching the problems before it the conference must look forward, not backward, and they should keep before their minds the simple objectives of removing from the hearts of the common people in all lands the fear of another war and of enabling them to live together as good citizens of Europe and the world.

As to the draft treaties submitted by the four Powers they were anxious to hear the opinions of the other 17 States whose criticisms and suggestions must be given full consideration. He also said they must never forget that Germany and Japan, though broken and humbled, were still there and that their capacity for making trouble, if there was any disunion in the allied ranks, was still very real. What had brought them together during the war was not so much the aggressor himself as the spirit behind aggression, a virus which still remained, and the culture in which it would breed was famine, disease, and social disruption.

He appealed to the conference to keep its ears open to public opinion, the force of which they could feel, he said, as they were discussing the treaties openly in public. They were delegates from their particular countries, but collectively they were responsible to all the peoples of the world.

The committee on procedure met, and was attended by representatives of all 21 delegations. It decided that all plenary sessions of the conference, all meetings of the commission which was to study the

separate treaties, and all its own meetings should be open to the press.

July 31.—In the plenary session M. Molotov said the Soviet Union deeply sympathized with all the peoples who suffered from aggression, but "it must be clear to us that the attacking countries which went to war as Germany's allies should be held responsible for the crimes of their ruling circles". As to matters of procedure, he said big States should not impose their will upon small countries, and the Council of Foreign Ministers was set up just so that questions might be settled not by imposing upon some States the will of others, but by arriving at joint decisions and arrangements. Certain positive results had certainly been achieved by the Council, in drafting the treaties, though they by no means felt, he said, that the just aspirations of the allied peoples had found an adequate reflection in those drafts. "But we cannot overlook the fact", he went on, "that at present the decisions of the Council of Foreign Ministers are assailed by all sorts of reactionary elements, who are stuffed with absurd anti-Soviet prejudices, and who base their calculations on the frustration of the co-operation among the great Powers. The draft treaties submitted to the conference deal a new blow to the efforts of these gentlemen."

Dr. Evatt said it was universally admitted that the contribution to victory made by the peoples represented in the conference warranted their being consulted about the making of the peace. The real question was whether the consultations by the major Powers represented the full extent of the rights of countries like his own or whether active partners in the war should not also be entitled to active participation in the peace making. Australia considered this right should belong to all the nations which had been partners in achieving victory, and in the conference each of the 21 had equal rank and voice. The delegation considered that the making of decisions on the future of the colonies should rest not with the Council of Foreign Ministers as such, but with all those countries which had, through their great losses and sacrifices in liberating such territories, earned a vital interest in their future disposal.

The Brazilian delegate urged the equal right of all Powers that had fought in the war and said "we shall continue to defend the principle that the democratic society of nations must be founded only on the recognition of a vigorous juridical equality of all States".

In the committee on procedure the Yugoslav delegate asked that Albania should be invited to be represented, and then said his country accepted the Big Four's suggestion that a two-thirds majority should be necessary to carry proposals for changes in the treaties, but had a reservation to make, i.e., that no ethnic problems should be settled without the consent of the allied country directly concerned.

The Dutch delegate said the Big Four had already taken upon themselves the preliminary drafting of the treaties and claimed the right to draw up the final texts. Surely they should allow the smaller countries the fullest latitude in arranging their own rules of procedure to allow the greatest number of recommendations to go forward. He felt that a vote by a simple majority should be sufficient to make a

recommendation effective. If the four Powers did not take sufficient notice of the desires of the conference the making of identical treaties acceptable to all might be compromised.

M. Tsaldaris suggested that the work of the conference should not be confined to examining the 5 draft treaties, but should be widened to include other nearly related problems requiring early settlement.

Dr. Evatt sympathized warmly, and went on to point out that the only way the conference could make its voice heard would be through the recommendations it had been asked to make regarding the treaties, for the Council of Foreign Ministers would take no notice of anything else. But if the two-thirds majority rules were applied the conference might easily find itself unable to make any recommendations at all, and its whole work would come to nothing. He knew the Council was not even bound to follow the recommendations, but in no other way could the conference begin to influence the final drafts.

There was nothing in the Potsdam or Moscow agreements about a two-thirds majority—it had come in at a late stage, and he firmly opposed it.

M. Molotov said that at San Francisco the delegates had agreed to a two-thirds rule and asked, were there not enough recommendations passed there? He suggested that Dr. Evatt had been trying to calculate mathematically the way the votes might be cast so as to ensure that a certain group or groups of Powers should prevail in all the voting. He defended the suggested procedure, and hoped that he expressed the common view of the Council of Foreign Ministers when he said they took a serious view of the voting procedure. Only 10 States of the 21 had declared war on Finland. If recommendations were carried by a simple majority these 10 might find themselves outvoted by the 11 others.

Aug. 1.—In the plenary session the Dutch delegate said that real progress in national reconstruction depended on a satisfactory solution of international problems. The Yugoslav delegate said the conference would be unable to strike at the roots of aggression if it was thought that only individuals were responsible for it. Hitler and Mussolini, for instance, were brought to power by the banks, trusts, and cartels. Yugoslavia was not ready to appease the aggressors by leaving in their hands former national territory which they had wrongly obtained. He complained that the Big Four did not always take the interests of the small nations into account. On the Italian frontier question the "French line" was the negation of all those fundamental principles for which the Yugoslavs had fought. Large sections of Croats and Slovenes were being abandoned to Italian oppression, and Trieste was being separated from its hinterland. A corridor was being created which took from Yugoslavia a large part of Istria inhabited by a Slav majority.

The New Zealand delegate said he hoped the solutions reached by the conference would commend themselves to U.N.O., since they could not be made binding on the United Nations, which was bound only by its own Charter. He suggested that the solutions reached should be submitted to the approval of U.N.O. before they were finally incor-

porated in the treaties. The Norwegian delegate did not think there need arise any antagonism between the great and small Powers in the problems before the conference. There need be no reserve to their satisfaction, he said, with the success of the Council of Foreign Ministers in reaching previous agreement on a number of these problems, for all would recognize that agreement between the great Powers was necessary for conclusion of the peace treaties.

In the committee on procedure the Dutch delegate pressed to a vote his request that all delegations should take a full and equal share in the work of all the treaty commissions. It was lost by 11 votes to 9 (Australia, Belgium, Brazil, Canada, China, Greece, the Netherlands, Ethiopia, and South Africa). Mr. Byrnes abstained. The British delegate said he must resist the proposal, because if each commission was to be enlarged the conference would take too long in getting through its work. Powers not represented on the commissions would be entitled to give their views in the plenary session when it dealt with the commissions' recommendations.

M. Molotov agreed that the voting strength in the commissions should not be altered; but just as the U.S. delegation had joined (without voting) in the discussions on the Finnish treaty, so he thought the delegations wishing to take part in the commissions might do so without voting. This proposal was accepted without a vote.

The Greek delegate proposed that the conference agenda should be widened to include "matters pertaining to the treaties" beyond the actual drafts; he was opposed by the Yugoslav and Ukraine delegates, and supported by those of Australia and Brazil. M. Molotov said he supported the general purpose of the proposal, but suggested that the question of the voting should be postponed and that the committee should content itself with saying that "matters pertaining to the treaties may be placed on the agenda at the request of a single delegation or of delegations". This was agreed to.

Aug. 2.—In the plenary session Mr. Mackenzie King proposed that the Council of Foreign Ministers should meet at intervals during the conference to examine the more valuable proposals put forward. This would hasten and simplify their work. He would like to see, he said, the four great Powers willing to consider, and consider promptly, any changes in the Foreign Ministers' proposals which were seriously suggested and supported by strong arguments.

M. Masaryk gave a warning against clauses in the treaties which would impose on nations the obligation to limit their sovereignty over minorities within their borders. It would be very difficult to persuade the people of Czechoslovakia to revert to the minority treaties of 1919 or 1938 or a similar régime. He agreed they should seek justice, not revenge, but "we know our central Europe, the causes and the roots of the last two world wars. . . . We are going to tell you that where old methods have failed, and failed lamentably, new ones, and, so far as Czechoslovakia is concerned, permanent new ones, should be tried".

The Polish delegate reminded the conference that economic penetration as a weapon of political annexation had been the main means of

German success in gaining control of the Danube Basin, the Balkans, and much of the Baltic.

The Ethiopian delegate stated that the preparations for the attack on his country began before the Fascist régime came into power, and the future of the Italian colonies must be considered.

In the committee on procedure the New Zealand delegate proposed that M. Bidault should be appointed chairman of the conference, instead of this office being taken in rotation (as suggested by the four Foreign Ministers at their meeting 3 weeks earlier) by the members of the Council of Foreign Ministers. He complained that that would draw a hard and fast line between the big Powers and the rest of them.

The Brazilian and Dutch delegates supported the proposal. M. Vyshinsky objected, saying "it is only reasonable to suppose that the four Powers should chiefly guide the conference inasmuch as it was they who had invoked it and had prepared the draft treaties; and in the long run it is they who will have to bear the responsibility for the success or failure of the conference".

The Canadian delegate supported the proposal, but those of Norway and Yugoslavia opposed it, the former saying that the committee had here an opportunity of symbolizing its confidence in the continued collaboration of the Four Powers in completing the treaties.

Mr. McNeil suggested that the conference could be made less formal if the 21 delegates sat at a separate table, instead of having over 80 people round a table—an inducement for long speeches. He then proposed that M. Bidault be appointed chairman, and Dr. Wang vice-chairman. M. de Murville asked New Zealand to withdraw her proposal, but this was refused, and the meeting adjourned.

Earlier, the Polish delegate asked for full membership for Poland of the treaty-making commission on Hungary, on the ground that Hungarian troops had occupied large areas in Poland and this was a *de facto* state of war. M. Molotov supported him, saying Poland belonged to the commission for Italy though never at war with that country, as did also M. Masaryk and M. Pojade (Yugoslavia).

Dr. Evatt said there might be difficulties as there would be other cases where a similar modification of procedure would be needed. He was willing, however, to see White Russia and the Ukraine as members of the commission, since the Soviet Union as a whole was at war with Hungary. They should adhere to the previous day's ruling, so he would oppose the Polish request. The S. African delegate expressed the same opinion, as did Mr. McNeil and the Dutch delegate. The Polish delegate then withdrew the request.

Aug. 3.—The plenary session adjourned, after speeches by the remaining 5 delegates, to be re-convened at M. Bidault's discretion. The Indian delegate, after saying that India had 2½ million troops under arms before the war ended, said she was vitally interested in the stability of the Mediterranean and the Red Sea, and so in the disposal of the Italian colonies. It would be a bitter blow to her people if the arrangements made for this were not such as they believed to be in accord with justice and human rights. Real stability and progress

could only be assured by a system leading to the earliest possible grant of self-government to these peoples.

The S. African delegate said they sought only to help, as they had no claim of any sort to make for themselves. Their own country was not without experience of the blessed fruits of magnanimity, and she raised her voice in pleading that the Charters (the Atlantic and that of U.N.O.) should prevail in adjusting the relations of man to his kind.

M. Tsaldaris put forward 3 requests: reparation of the material damage caused by the invaders, the incorporation in Greece of Northern Epirus, and a rectification of the Thracian border with Bulgaria. He quoted Lord Wavell in support of the last, saying the course of operations in April, 1941 might well have been different had the Greeks, instead of defending the southern slopes of the Rhodope Ridge, been firmly established a few miles further north on the Kresna or Karlek-Balkan path.

M. Manuilsky said the Ukraine did not like the Trieste solution, but approved it almost solely because it had been adopted by the Council of Foreign Ministers.

M. Spaak asked that the other great Powers should associate themselves with the undertaking of Mr. Byrnes to support any recommendations of the conference that were backed by a two-thirds majority. He firmly believed that medium and small nations had rights that must be respected, and had their part to play.

The committee on procedure decided that the 5 members of the Council of Foreign Ministers should preside over the conference in turn, after considering a Dutch proposal that the rule accepted should be, simply, "The conference shall elect its chairman". M. Molotov objected, as the four Powers had unanimously agreed on their scheme for the chairmanship. The Dutch and other delegates were trying to find a rift in that unanimity and to widen it.

Dr. Evatt said the proposal was nothing of the kind; it was simply an attempt by the conference to establish its own autonomy and not simply follow without question everything the 4 Powers put forward. M. Molotov would soon be applying the same arguments in the discussions over the treaties. The Dutch delegate also protested, pointing out that M. Molotov had talked of "decisions" by the 4 Powers, whereas they had earlier been assured that they were only suggestions which the conference could accept or reject.

Mr. McNeil said that as he saw there was no possibility of having M. Bidault as sole chairman he would fall back on the next best and support the original 4-Power scheme. M. de Murville concurred for the same reason.

Mr. Byrnes objected to the use of the word "decision" by M. Molotov, and said he had agreed to the rules on the understanding that they were suggestions. He read from the official account of the four Power conference which recorded that he had frequently reserved his right to support any amendment passed by the conference. "I want to stand by the agreements I reached with my colleagues", he said, "and I intend to do so whenever possible. But when I cannot stand by them

I will vote against them. That is the position on which the U.S. policy is based."

The vote on the Dutch amendment was then defeated by 12 votes to 8.

The meeting next approved a proposal by the four Powers that Italy, Rumania, Bulgaria, Hungary, and Finland should be invited to send representatives to state their views before the conference.

In the discussion on voting procedure the S. African delegate, defending votes by simple majorities, said that "the Big Four are not free to vote as they choose. They are to all intents and purposes committed to vote together on the agreed clauses in the draft treaties. . . . That leaves only 17 free votes. If the two-thirds rule is applied 14 of those 17 would be required to pass a recommendation. In other words, the Big Four, or any one of them, would need support from only 4 more States to give them 8 votes and, therefore, enable them to prevent any amendment from being passed". If the majority rule was applied 11 votes would be needed to pass a proposal, which seemed small, but this figure should be considered not in relation to the total of 21, but rather in relation to the 17 "free votes"—and it was very roughly two-thirds of those 17. In asking for a simple majority within the whole conference he was therefore simply asking for a two-thirds majority among the 17, a perfectly reasonable request.

The British delegation tabled a suggestion that there should be two grades of votes when the plenary session proceeded to the passing of recommendations regarding the draft treaties back to the Council of Foreign Ministers. First, recommendations passed by a two-thirds majority should go forward to the Council as already proposed by the Big Four; but those passed by a simple majority short of two-thirds should also be sent forward for the attention of the Council.

Aug. 5.—The committee on procedure dealt with the Dutch amendment suggesting that the two-thirds rule be dropped altogether and the British plan for two types of recommendation, both of which would be passed on to the consideration of the four Powers when they were drafting the final texts of the treaties. Mr. Byrnes assured the conference that his delegation would feel bound to support within the Council of Foreign Ministers any recommendations passed by a two-thirds vote, and also promised to ensure that any recommendation passed by a simple majority would be most attentively studied in the Council. In supporting the British proposal he said that if a recommendation went from the conference with a two-thirds majority it would probably carry more weight than one with a simple majority with the Council of Foreign Ministers, in which decisions had to be unanimous. The Council was bound under the Moscow agreement to give consideration to recommendations submitted to it, and not to reject them arbitrarily.

Mr. McNeil said that was precisely the British delegation's attitude—that all recommendations passed by a majority vote of any kind should automatically find their way on to the agenda of the conference. His amendment did not annul the decision of the four Powers; it only expanded it.

Dr. Evatt and the Brazilian and New Zealand delegates supported

the Dutch amendment, the last named pointing out that the conference had already taken two votes—one by a majority of 11 to 9, and the other by a majority of 12 to 8—and neither would have been effective if the two-thirds rule had been followed. What, in effect was being suggested was that a vote in favour of a proposal had one value and a vote against it had twice the value. He maintained that the principle of free and equal expression of opinion was linked up with free speech. A dictator would say that his opinion alone should be given effect to; a democrat would say that the votes of all qualified persons were equal. "We don't like the veto", he said, "because a minority interferes with the wishes of the majority." A substantial minority should always be heard and its wishes considered, but it should not be able to overrule the wishes of the majority. He insisted that the decisions of the conference were only recommendations.

The Belgian delegate thought the Council of Foreign Ministers should consider any recommendations from the conference no matter how small the majority. Recommendations with more than a simple majority might go to the Council with a record of the votes cast.

M. Kardelj said it was fundamentally false that the two-thirds rule would set up a dictatorship of the great Powers, and could not agree that it was inconsistent with democracy. If they wished to avert the formation of *blocs* in the conference they should adopt the two-thirds rule. The Polish delegate agreed, as did the Czechoslovak, who said the British proposal would introduce the simple majority but by a different method.

Mr. Wang said the revision of the two-thirds rule was necessary, but the simple majority also had drawbacks. He supported the British proposal.

M. Molotov proposed, as a third amendment, that the two-thirds rule be maintained, but that if a proposed recommendation gained a simple majority then the States that had supported it could send their views as a group to the Council for its consideration. In other words, the conference could not pass on a simple majority recommendation, but the States themselves could. He considered that the British proposal would nullify the decisions of the Council of Foreign Ministers, and he could not accept it any more than the Dutch amendment.

The Norwegian delegate supported the two-thirds rule because it had been decided by the great Powers, and there must be a real relation between powers and responsibilities. The decisions of the great Powers were the results of compromise.

The Canadian delegate advocated an alteration in the voting procedure, and said he would vote either for the British or the Dutch amendment, whichever came first.

Aug. 6.—M. Molotov announced to the committee that in the Soviet view it should recognize that no changes in the two-thirds rule could be passed except by a two-thirds vote in the committee. He said there was no need to vote on this declaration; it was a statement of the Soviet attitude, which could not be changed. The White Russian, Ukrainian, and Yugoslav delegates supported it.

The committee decided by a show of hands—14, with 7 abstentions—to vote on the New Zealand amendment, which was then rejected by 11 votes to 9. The 4 Powers voted against it, and Ethiopia abstained.

The British amendment was next dealt with, but the Soviet group said no vote could be taken till the committee had decided by what majority this could be carried. Mr. A. V. Alexander suggested a show of hands to decide whether the vote should be taken or not. Fourteen raised their hands, the Soviet group taking no part. M. Vyshinsky asked that the amendment be divided, and that the committee should vote separately on the two types of recommendation. The British delegation protested, fearing that once the committee had voted in favour of the first type the Soviet delegation would object to and delay the second vote. M. de Murville proposed adding 9 words to the amendment to make it read that the second type of recommendation should, at the request of the States which voted it, be submitted to the Council of Foreign Ministers.

M. Vyshinsky agreed to this suggestion, but Britain, the U.S.A., and the Dominions all objected, and when voted on it was rejected by 13 votes to 8.

The chairman then ruled that the committee must vote on the part of the British amendment to which the French suggestion applied—the second type of recommendation. This was carried by 14 votes to 6 (the Soviet group). Ethiopia abstained. The first part of the amendment was then voted unanimously. Finally, at 2 a.m. on Aug. 7, the amendment as a whole was put to the vote, and passed by 15 votes to 6 (the Soviet group). It read: "Recommendations of the plenary conference shall be of two kinds: (a) those adopted by a two-thirds majority vote; (b) those which obtain a majority of more than one half but less than two-thirds of the members of the conference. Both types of recommendation shall be submitted to the Council of Foreign Ministers for their consideration."

Mr. Byrnes explained, and the British delegation concurred, that an (a) recommendation would win his complete support within the Council, while a (b) recommendation might win his support although he could give no promises, but it would certainly lead to the reopening of the question, whatever it was, within the Council.

Aug. 7.—The committee adopted a Yugoslav proposal that any State adjacent to an enemy country could present its views to the Council of Foreign Ministers. Discussing the rules of procedure, Mr. Byrnes proposed, and the committee agreed, that representatives of the 5 ex-enemy States should be invited to attend the plenary session on Aug. 10. A Yugoslav suggestion that Albania should be represented was withdrawn when Mr. McNeil pointed out that that was a matter for the conference itself to decide.

The committee adopted a proposal, based on a suggestion by Mr. McNeil, that "on all questions of procedure not covered by the present rules the conference and its commissions shall be guided by the principles which underlie the rules of procedure of the General Assembly of the United Nations".

Aug. 8.—The plenary session met, and M. Molotov at once an-

nounced that his delegation would accept all the decisions of the procedure committee except the resolution put forward by the British delegation, which he said was "erroneous", and he must insist on its revision. The question of procedure was very serious; and the position was that "henceforth it will be enough for 11 nations out of the 21 to declare themselves in favour of a recommendation for this recommendation to be forwarded to the Council of Foreign Ministers, even if the 10 other nations have objected to it. One delegation will therefore be in a position to alter the character of the conference's recommendations".

The Soviet delegation was interested not so much in the numbers of votes as in ensuring that the methods of voting should be of assistance in carrying out the decisions of the Council of Foreign Ministers. Responsibility for the committee's "egregious error" rested on the British and U.S. delegations, "which have joined hands to carry this decision in the committee". It was now a question of saving the conference from making the same mistake. He then quoted from a Paris paper which said the acceptance of the British amendment showed that "the Western Powers had now got the upper hand over the U.S.S.R."

Dr. Evatt said M. Molotov was asking the conference to reverse a decision taken by 15 votes to 6 by the same persons sitting as a committee. If there was some magic in the fraction two-thirds there was also magic in 15 to 6, which was more than two-thirds. The serious thing was that M. Molotov was "insisting" that the error be rectified, and also implying that the 6 were infallible by describing the decision as an egregious error. "M. Molotov can say 'No'," he said, "and no decision can be taken." What was facing the conference was that it should not be bound by any veto system, and that they were not going to yield to demands of that character.

He recognized, he said, that a (b) recommendation would not have the same force as an (a), but it was right that each of the 21 nations which had fought should have their voices heard—that was an act of justice and democracy. It was true that they must have unanimity, but the method of getting it was as important as unanimity itself. They could get it by dictation, by saying "You must agree", but that was not the order they stood for. M. Molotov had not produced one new fact in support of his charge against the committee, while in his speech there was a suggestion almost of intimidation.

M. Kardelj said the method of voting adopted in the committee would have a nefarious effect on the whole work of the conference.

Mr. A. V. Alexander said M. Molotov claimed to be defending unanimity, but by his arguments made it clear that there should never be a minority unless it was sponsored by the Soviet Union, and that minority must have the right to hold up any resolution that the majority had regarded as right. If in a commission or in the conference a resolution was carried by 13 votes to 8, then, in M. Molotov's view, it should be regarded as defeated. The adoption of an attitude that the acceptance of majority rule could not be permitted would prevent peace at any time. M. Molotov said Britain and the U.S.A. had joined hands. If they had done so, it was only what they had done throughout the war and,

particularly, at the time when the Russians were going back to Stalin-grad, and they joined hands in helping Russia. "I am not ashamed", he said, "to join hands in the defence of small nations now." He was with M. Molotov all the way in wanting unanimity, "but it cannot be unanimity achieved by insisting and non-permitting".

Aug. 9.—The plenary session voted on M. Molotov's amendment, which was defeated by 15 votes to 6 (the Soviet group). It then voted on the British proposal, which was adopted by 15 votes to 6. M. Bidault, in the chair, then asked the delegates to approve the rules as a whole, which they did by 15 votes to 4, Poland and Czechoslovakia abstaining. Before the voting M. Manuilsky had stated that the decision in the committee to recognize recommendations passed by a simple majority was "not in accordance with the wishes of the majority of those present" and "was in the nature of dictation". The basis of the decision was not one of principle, but arose from arithmetical considerations in order to oppose one section of the conference against the other—a dangerous precedent.

Mr. Byrnes appealed for friendly relations between all the delegations and said they must be inspired by the spirit of peace and mutual understanding. The will to make peace and reach a common understanding did not depend on any rules of procedure. All agreed that the final texts of the treaties would be drawn up by the Council of Foreign Ministers and, to be effective, must be ratified by the members of the Council. Must there be an endless struggle to determine the rights of the nations which helped to win the war to participate in the making of the peace? If the Council of Foreign Ministers was convinced that the proposal that came before it was right and just the Council should not hesitate to include it in the treaty. The nations which sent their sons overseas to fight were entitled to the same right, and "I take exception", he said, "to the charge that those of us who wish to recognize their right are fomenting a third world war".

As for *blocs*, by what right did those who consistently voted with the Soviet Union call those who did not always agree with the Union a *bloc*? When the New Zealand amendment was defeated by 11 to 9 votes no one complained that it had been rejected by the Soviet *bloc*, but when the Soviet proposal of voting procedure was defeated by the overwhelming vote of 15 to 6 the charge was made that this was brought about by the Anglo-Saxon *bloc*. "What loose and wicked talk is this?" Mr. Byrnes asked. France, Norway, Brazil, China, and Ethiopia were arraigned by the Soviet as partisans of disunity. Britain was attacked for daring to stand up for her convictions, and the U.S.A., which had steadfastly pursued a policy of friendship with all peace loving nations and had firmly opposed all forms of exclusive political or economic arrangements, was accused of being the leader of a *bloc*.

They had been willing to make concessions, he went on, but did not intend to make all the concessions. He declared that those who insisted most loudly on unanimity had not shown the same desire to achieve it. Time and again "we have found the rule of unanimity insisted upon not to secure unanimity, not to secure common agreement, but to block

action . . . to compel a majority to yield to a minority which was unwilling, on its part, to make the concessions necessary to make common understanding possible". He concluded by appealing to the conference to get on with its work.

The White Russian delegate declared that the decision in the committee on the voting rule had been taken "because of the extreme pressure brought to bear by the U.K. and the U.S.A.", which had also sought "adversely to influence" public opinion.

M. de Murville said he realized the French proposal to insert the words "at the request of States which had supported such recommendations" had no chance of acceptance, and so closed with an appeal to the Soviet delegation not to divide the conference on questions which were not essential.

M. Bidault closed the discussion. He asked whether anyone still opposed the voting rules, and M. Molotov replied "I maintain my views". M. Bidault said they must now vote, and the three roll-calls were then made.

The conference later accepted the proposal that any member of the conference whose frontiers marched with those of an ex-enemy State might submit recommendations to the Council of Foreign Ministers even if these had failed to obtain either a simple or a two-thirds majority.

Aug. 10.—The Polish delegate, presenting the case of the right of Albania to attend the conference, said that she had the right to be consulted because she had suffered much and resisted bravely, and that under certain conditions partisans should be regarded as constituting regular armies.

Mr. Alexander said a similar case could be made out for Austria. He had sympathy for the claims of the Albanian partisans, but thought the case should first be referred to the general committee of the conference. M. Tsaldaris said a separate vote on Albania would be illogical and confusing. She had freely concluded an alliance with Italy against Greece even before the war.

A Czechoslovak delegate said Albania had been, and was now, an ally, and several countries represented at the conference had diplomatic relations with her, and it would be in the interests of peace to hear her views. He proposed that the Yugoslav proposal should read: "the conference decides to invite Albania in order to state her point of view in the plenary and other meetings regarding the Italian treaty".

The Yugoslav delegate said M. Tsaldaris represented a régime which, as former ones, carried out a policy of fomenting wars in the Balkans. This was warmly denied by M. Tsaldaris. M. Vyshinsky praised the work of the Albanian partisans, and described M. Tsaldaris's remarks as calumnies against her people.

Mr. Byrnes said the position was changed with the Czech proposal, and he would no longer insist on the case being referred to the general committee. He had intended to propose that Egypt, Mexico, and Cuba also be invited, and he suggested that the Czech proposal be modified to add invitations to those three. The Czech delegate accepted this.

The Norwegian delegate wished to know why the three should be

invited, and said he could not vote till he knew more about the merits of the case. The Russian and Yugoslav delegates said they would accept Mr. Byrnes's proposal. No conclusion was reached, as other delegates agreed with the Norwegian view.

Later, Mr. Bidault welcomed the Italian Premier, who said he spoke not less as a democrat than as an anti-Fascist. The treaty, he said, was extremely hard, and did not conform to earlier allied declarations. It left Italy in a defenceless condition, with both her western and eastern frontiers wide open. There was no recognition of the part she played as a co-belligerent after the fall of Fascism, nor of the fact that she was the first Power to break with Germany.

The punitive character of the treaty was evident in the territorial clauses. Even the Trieste problem was vitiated from the start by the persistence of war psychology, by reference to an assumed right of the first occupants, and by a lack of a spirit of truth between the two parties more directly concerned. The "French line", which was proposed, was not an ethnic line, but one of political expediency, and it left 180,000 Italians in Yugoslavia and 59,000 Slavs in Italy.

He asked, how did it happen that on July 3 the Council of Four reversed the London decision and made the frontier line no longer one between the two countries but the frontier of a so-called free territory of Trieste? This solution maimed their national unity and bit into their flesh. He then asked, "Do you really intend to enclose in the fragile cage of an international statute, with meagre rations and abundant political rights, these two adversaries, and still hope that they will not come to blows? Will not the Slavs call for the help of their brethren deployed 5 miles away round the city, and will not the Italians reach out, through the narrow one-mile gap, to their own people?" If they merely wished to make Trieste a Central European port the problem was an economic, not a political one.

As they had deferred the colonial settlement for a year why could they not do the same for the Julian problem? The treaty could stand even if some territorial clauses were left open. Of the economic clauses, he said Italy claimed some £750 million from Germany for damage sustained; was she to renounce all that? It was another proof that no final settlement of Europe could be reached before peace with Germany was made. If the reparation clauses were imposed "in their full, crude meaning" Italy would be undertaking something she could not fulfil. She was faced with a drop of 50 per cent in the purchasing power of wages and of 45 per cent in her national income. A further deterioration would bring about insolvency and monetary chaos.

He asked for no special concessions; only that their peace "be framed within that wider peace which men and women of all countries who fought and suffered for an ideal are awaiting . . . A nation of toilers, 47 million strong, is ready to pool its efforts with yours in the creation of a just and more humane world".

M. Bidault said the conference took note of the declaration, and each member would give it careful consideration.

INTERNATIONAL CONFERENCES

July 22.—Delegates of the 51 united nations, invited to confer in New York by the Economic and Social Council, signed the constitution of the World Health Organization.

July 24.—M. Gromyko, speaking in the committee of the Atomic Commission in New York, said the United States proposals for the establishment of an independent atomic energy development authority and the abolition of the power of veto in atomic matters "cannot be accepted in their present form by the Soviet Union either as a whole or in separate parts". (Vide memo. No. 3 submitted by the U.S.A. to the U.N. Atomic Energy Commission on July 12.)

M. Gromyko repeated that the "Soviet Union cannot accept any proposal that would undermine in any degree the principle of unanimity of the permanent members of the Security Council". The U.S. proposal regarding the veto meant that "the Security Council is denied the rights it should have under the Charter. The position of the Soviet Union is that the powers, authority, and prestige of the Security Council in connection with atomic energy problems should not be undermined". He objected to the U.S. view that the existing U.N. organs were not empowered to deal with questions relating to atomic control. The U.S.A., by proposing that all atomic matters should be of international, not national, importance and jurisdiction, tried to make the Article of the Charter dealing with non-intervention in domestic matters inapplicable.

July 29.—A congress opened in Luxembourg, attended by delegates from 26 countries, to form a world federation of United Nations Associations. U.N.R.R.A., U.N.E.S.C.O., the I.L.O., and the World Federation of Trade Unions were also represented.

Aug. 1.—At a closed session of the U.N. Atomic Commission M. Gromyko said the system of inspection embodied in the U.S. international atomic control plan was not reconcilable with the sovereignty of States, and no inspection as such could guarantee peace and security. The Soviet's own proposal was based on the only real underlying method of control—co-operation of the United Nations, and it also provided for signatory States to enact legislation providing severe punishment for violation of the convention.

The Canadian, Australian, French, and Dutch delegates all expressed doubts of the efficacy of punitive action after attack with atom bombs had been opened. The Commission then decided to ask its technical and scientific committee to report on whether effective control over atomic energy was possible.

Aug. 5.—The session of U.N.R.R.A. was opened in Geneva by Mr. La Guardia, who said their missioners in the various countries receiving help were the field quartermasters operating until the great organization of the United Nations could take over the work.

The Security Council's committee to consider applications for membership of U.N.O., meeting in New York, received a memo. from the Greek Government opposing Albania's application, on the

ground that Albania was trying to de-nationalize the Greek minority in northern Epirus. An annexe listed 24 Albanian violations of the frontier since the autumn of 1945.

Aug. 6.—The Security Council's committee considered the application of the Mongolian People's Republic, and decided to suspend action until they had received a reply to a request, which was telegraphed to the Mongolian Government, to appoint a representative in New York who would be able to supply the committee with information as to whether the Republic would be able to fulfil the obligations of the U.N. Charter.

Aug. 7.—Mr. La Guardia reported to the U.N.R.R.A. Council at Geneva about its work and future problems.

Aug. 8.—The Czechoslovak, Yugoslav, Greek, Polish, Austrian, and Chinese delegates at the U.N.R.R.A. Council described the termination of its activities at the end of 1946 as a "disaster" and "catastrophe", and pleaded for its continuation. The U.S. delegation refused to accept the responsibility of a further appeal to Congress to raise funds for an extension.

Aug. 9.—In the U.N.R.R.A. Council meeting at Geneva the British delegate pointed out that Britain had contributed nearly £155 million to U.N.R.R.A. funds, though now a debtor nation and suffering from very great financial losses and great dislocation of her trade and economy generally. His Government did not feel that the British people should be asked to continue to contribute longer than was absolutely necessary and were entitled to feel some confidence that the new international health, refugee, food and agriculture organizations and the international bank might take over such of the work as needed to be continued.

BRITISH STATEMENT ON THE OCCUPATION OF GERMANY

ON Aug. 8 the Foreign Office issued a statement about the principles regarded as "essential for the proper carrying out of the Potsdam Agreement, so far as German economic unity and reparations are concerned". The statement had been sent 10 days previously to the U.S., French, and Soviet Governments. (No replies had been received.)

The statement was in 4 parts: (1) the relevant provisions of the Potsdam Agreement; (2) British comment on these; (3) the views stated by the Soviet representative in Paris; (4) the British reaction to the Soviet attitude.

In commenting on the Potsdam Agreement, the order of the provisions was regarded by the British Government as significant in showing "that the requirement that Germany should be treated as a single economic unit during the period of occupation is fundamental and takes precedence over any question of reparations". The comment continued: "The U.K. proposals for putting these principles into effect were:—(a) that there should be equitable distribution of indigenous resources throughout Germany; (b) that procedure should be estab-

lished for ensuring that any surplus of indigenous resources in one zone is made available to meet a deficit in the approved requirements of other zones; (c) that if, after this equitable distribution has taken place, there is still a surplus in any zone, and if there is still a deficit in the balance of payments of Germany as a whole, the surplus may only be exported in return for acceptable currency, the proceeds being used towards meeting the said deficit."

The Soviet representative had stated in Paris that the U.S.S.R. maintained its claim to reparations from Germany to a value of \$10,000 million, and to obtain these reparations not only from deliveries of capital equipment, but also from Germany's current production; and "that indigenous resources could not be sent from the Russian zone . . . to other zones because para. 4 of Section III of the Potsdam Agreement stipulates that certain products are to be sent to the Western zones in exchange for industrial capital equipment delivered as reparation from the western zones to Russia, and that these deliveries of equipment had hardly begun to take place".

The statement of views on this Soviet attitude was as follows:—After the fullest and most careful consideration of the Soviet statement, H.M.G. reaffirmed that it regarded the treatment of Germany as an economic whole as a fundamental principle of Potsdam. The agreement that common policies should be established in regard to import and export programmes and that allied controls should be imposed in order to ensure the equitable distribution of essential commodities between the zones was universally regarded as one of the most important results of the Potsdam conference. This provision was "unqualified, unconditional, and unambiguous. It is laid down that payment of reparations should leave sufficient resources to enable the German people to subsist without external assistance, and that payment for approved imports into Germany shall be a first charge against the proceeds of exports from current production and stocks".

"H.M.G. have never accepted the Soviet claim of \$10,000 million worth of reparations from Germany. They refused at the Yalta Conference to consider this claim as a basis for discussion, and in any case the reparations agreement reached at Potsdam supersedes all previous agreements and discussions about reparations." Moreover, "unless and until Germany as a whole has an export surplus the Soviet Government, in the explicit and unambiguous terms of the Potsdam Agreement . . . is not entitled to take by way of reparation goods currently produced or stocks". This agreement could not be unilaterally repudiated. The failure to deliver much industrial plant from the Western zones to Russia was no justification for commodities being removed from the Soviet zone as reparations when exports from Germany as a whole were insufficient to pay for essential imports by more than £100 million a year.

The statement concluded by asking the U.S., French, and Soviet Governments whether they agreed to the principles regarding the treatment of Germany as an economic whole and on reparations, "and, if so, whether they are ready to set up immediately the necessary machinery in Germany to put these principles into practice".

FORTHCOMING EVENTS

- 1946
- Aug. 20 Conference of the International Law Association, Cambridge.
- „ 26 Permanent Migration Committee, Montreal.
- Sept. 1 Referendum on the monarchy in Greece.
- „ 2 F.A.O.: Plenary Session, Copenhagen.
- „ 8 Referendum on question of a Republic, Bulgaria.
- „ 17 I.L.O.: Governing Body, Montreal.
- „ 19 I.L.O.: 29th Session, International Labour Conference, Montreal.
- „ 23 General Assembly of U.N.O., New York.
- „ 28 The General Election, Australia.
- „ ? Elections for district Councils in British and Soviet zones of Germany.
- „ ? U.N. Commission on Narcotic Drugs, Geneva?
- Oct. 20 City and District Council Elections, Berlin.
- „ 27 Elections to National Assembly, Bulgaria.
- Nov. 1 U.N.E.S.C.O.: Preparatory Commission, Paris.
- „ 5-23 U.N.E.S.C.O.: General Conference, Paris.
- „ 12 Meeting of the National Assembly, China.
- Autumn I.L.O.: Industrial Committees, Textiles Committee, and Building, Civil Engineering and Public Works Committee, Brussels.